BASE PROSPECTUS 10 JUNE 2016

LeasePlan

LeasePlan Corporation N.V.

EUR 15,000,000,000
Debt Issuance Programme

Under this EUR 15,000,000,000 Debt Issuance Programme (the "**Programme**") LeasePlan Corporation N.V. ("**LPCorp**" or the "**Issuer**") may from time to time issue notes (the "**Notes**") which may be senior or subordinated and denominated in any currency agreed by the Issuer of such Notes and the relevant Dealer (as defined below).

Subject as set out herein, the Notes will not be subject to any maximum maturity but will have a minimum maturity of 1 month and the maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed EUR 15,000,000,000 (or its equivalent in other currencies calculated as described herein).

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

The Notes of each Tranche (as defined below) will (unless otherwise specified in the applicable final terms (the "**Final Terms**")) initially be represented by a global Note (a "**Global Note**") which will be deposited on the issue date thereof either (i) with a common depositary or a common safekeeper on behalf of Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and/or any other agreed clearance system or (ii) with *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.* ("**Euroclear Netherlands**"). See "Form of the Notes" herein.

This base prospectus (the "**Base Prospectus**") constitutes a base prospectus within the meaning of the Prospectus Directive (Directive 2003/71/EC, as amended; the "**Prospectus Directive**"). This Base Prospectus has been approved by The Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the "**AFM**") as the competent authority in the Issuer's home Member State pursuant to the Prospectus Directive. For the purposes of the Prospectus Directive, this Base Prospectus is valid for one year from the date hereof.

Application may be made for Notes to be listed on Euronext Amsterdam ("**Euronext**") or to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg), on any other regulated or unregulated market in the European Economic Area (the "**EEA**") or any other stock exchange(s). 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 and/or quotation systems as may be agreed with the Issuer.

The Issuer has requested the AFM to provide the Commission de Surveillance du Secteur Financier in Luxembourg with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with Chapter 5.1 of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*, the "**FMSA**") and related regulations implementing the Prospectus Directive in Dutch law (a "**Notification**"). The AFM may be requested to provide other competent authorities within the EEA with a Notification so that Notes may be offered to the public and application may be made for Notes issued under the Programme to be admitted to trading on other regulated markets within the EEA. Euronext and the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg) are regulated markets for the purposes of Directive 2004/39/EC (the Markets in Financial Instruments Directive).

Notes issued under the Programme may be rated or unrated. Where an issue of Senior Notes is rated, its rating will not necessarily be the same as the rating applicable to this Programme. Subordinated Notes issued under the Programme may be rated on a case by case basis as specified in the applicable Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Community and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**") unless the rating is provided by a credit rating agency operating in the European Community before 7

June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused. Each of Moody's Investors Service Limited ("**Moody's**"), Standard & Poor's Credit Market Services Europe Limited ("**S&P**") and Fitch Ratings Ltd. ("**Fitch**") are credit rating agencies established in the European Community and are registered under the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which case a supplementary Base Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

This Base Prospectus is issued in replacement of a base prospectus dated 12 June 2015 relating to the EUR 15,000,000,000 Debt Issuance Programme of the Issuer and accordingly supersedes that earlier base prospectus. This does not affect any Notes issued prior to the date of this Base Prospectus.

This Base Prospectus should be read and construed together with any amendments or supplements hereto and with any documents incorporated by reference herein, and in relation to any Tranche (as defined herein) of Notes, this Base Prospectus should be read and construed together with the Final Terms. Any such supplement, amendment and/or replacement will only be made in accordance with the Prospectus Directive unless in relation to an Issue of Notes under the Programme which falls outside the scope of the Prospectus Directive.

THERE ARE CERTAIN RISKS RELATED TO ANY ISSUE OF NOTES UNDER THE PROGRAMME WHICH INVESTORS SHOULD ENSURE THEY FULLY UNDERSTAND (SEE "RISK FACTORS" BELOW). THIS BASE PROSPECTUS DOES NOT DESCRIBE ALL OF THE RISKS OF AN INVESTMENT IN THE NOTES.

Arranger
ABN AMRO

Dealers

ABN AMRO

ANZ

Citigroup

BNP PARIBAS

Danske Bank

Deutsche Bank

HSBC

ING

J.P. Morgan

Mizuho Securities

Société Générale Corporate & Investment Banking

Westpac Banking Corporation ABN 33 007 457 141

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SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "Not Applicable".

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 summary.

		Section A – Introduction and Warnings
A.1	**Introduction:**	*This summary should be read as an introduction to this Base Prospectus. Any decision to invest in the Notes should be based on consideration of the Base Prospectus as a whole by the investor. Where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.*
A.2	**Consent:**	Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive (Directive 2003/71/EC, as amended; the "**Prospectus Directive**") to publish a prospectus. Any such offer is referred to as a "**Public Offer**". **Issue specific summary**: [Not Applicable]/[The Notes may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is a Public Offer. [The Issuer does not consent to the use of the Base Prospectus in connection with a Public Offer of the Notes by any person. / The Issuer consents to the use of the Base Prospectus in connection with a Public Offer of the Notes subject to the following conditions: (i) the consent is only valid in respect of the Notes; (ii) the consent is only valid during the Offer Period specified in paragraph 9 of Part B of these Final Terms; (iii) the only persons authorised to use the Base Prospectus to make a Public Offer of the Notes [is/are] [the relevant Manager[s] [and] [(i) the Authorised Offeror[s] named in paragraph 9 of Part B of these Final Terms and (ii) any financial intermediary appointed after the date of these Final Terms and whose name is published on the website of the Issuer (www.leaseplan.com) and identified as an Authorised Offeror in respect of the Public Offer;]/[any financial intermediary which acknowledges on its website that it has been duly appointed as a financial intermediary to offer the Notes during the Offer Period and states that it is relying on

		the Base Prospectus to do so, provided that such financial intermediary has in fact been so appointed;][1] (iv) the consent only extends to the use of the Base Prospectus to make Public Offers of the Notes in each Public Offer Jurisdiction specified in paragraph 9 of Part B of these Final Terms; and (v) the consent is subject to any other conditions set out in paragraph 9 of Part B of these Final Terms.] **[Any financial intermediaries who meets all of the other conditions stated above and wishes to use the Base Prospectus in connection with a Public Offer is required to publish on its website that it is relying on the Base Prospectus for the Public Offer with the consent of the Issuer.][2]** **IN THE EVENT OF AN OFFER BEING MADE BY AN AUTHORISED OFFEROR, SUCH AUTHORISED OFFEROR WILL PROVIDE INFORMATION TO INVESTORS ON THE TERMS AND CONDITIONS OF THE OFFER AT THE TIME THE OFFER IS MADE, INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NONE OF THE ISSUER OR ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.]]** If, in the context of a Public Offer, an investor is offered Notes by a person which is not an Authorised Offeror, the investor should check with such person whether anyone is responsible for this Base Prospectus for the purposes of the Public Offer and, if so, who that person is. If the investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

	Section B – Issuer	
B.1	**Legal and commercial name of the Issuer:**	LeasePlan Corporation N.V. (the "**Issuer**")
B.2	**Domicile, legal form, legislation, country of incorporation**	The Issuer was incorporated by notarial deed of 27 February 1963 as a public limited liability company (*naamloze vennootschap*) under the laws of The Netherlands, for an indefinite period. The Issuer is registered with the Trade Register of the Dutch Chamber of Commerce under number 39037076. The Issuer has its statutory seat in Amsterdam, The Netherlands and its registered office at P.J. Oudweg 41, 1314 CJ Almere-Stad, The Netherlands. The general telephone number of the Issuer is: +31 36 539 3911.
B.4b	**Trends:**	Not Applicable. There are no known trends affecting the Issuer and the industry in which it operates.
B.5	**The Group:**	The Issuer is a bank and is authorised by the Dutch Central Bank (*De Nederlandsche Bank N.V.*, the "**DNB**") to pursue the business of a bank in The Netherlands. It holds shares in the respective legal entities that have been established in the various countries where LeasePlan is active. The Issuer is actively managing this international network of operating entities. In the areas of (among other things)

[1] Tailor appropriately based on the authorisation set out in paragraph 9 of Part B of the Final Terms.

[2] Delete unless the corresponding second option in (ii) above is selected.

		procurement, IT development, marketing & product development human resources, operations, car remarketing and risk management an internationally harmonised and coordinated strategy is pursued.
B.9	**Profit Forecast or Estimate:**	Not Applicable. There is no profit forecast or estimate included in this Base Prospectus.
B.10	**Audit Report Qualifications:**	Not Applicable. There are no qualifications in the audit report on the historical financial information included in this Base Prospectus.
B.12	**Key Financial Information:**	***Statement of Financial Position*** The table below sets out summary information extracted from the Issuer's audited consolidated statement of financial position as at 31 December 2015, 2014 and 2013.

CONSOLIDATED BALANCE SHEET	**As at 31 December**		
	2015	**2014**	**2013**
	(in millions of Euro)		
Assets			
Cash and balances at central banks	1,605.4	958.0	978.8
Receivables from financial institutions	368.9	1,222.8	1,439.1
Derivative financial instruments	166.1	183.0	120.4
Other receivables and prepayments	837.4	668.5	586.8
Inventories	261.3	205.3	202.0
Receivables from clients	3,309.5	2,952.1	2,829.9
Property and equipment under operating lease and rental fleet	14,261.5	12,681.3	12,226.6
Other property and equipment	90.7	82.9	82.7
Loans to investments accounted for using equity method	103.3	290.1	258.4
Investments accounted for using equity method	24.2	57.1	55.2
Intangible assets	171.3	162.8	163.8
Corporate income tax receivable	37.4	20.5	30.9
Deferred tax assets	141.4	161.8	154.8
	21,378.5	**19,646.3**	**19,129.4**
Assets classified as held-for-sale and discontinued operations	36.8	9.4	–

Total assets	**21,415.2**	**19,655.7**	**19,129.4**
Liabilities			
Trade and other payables and deferred income	2,255.3	2,062.0	1,945.4
Borrowings from financial institutions	2,073.1	1,991.4	2,523.3
Derivative financial instruments	88.4	130.3	197.5
Funds entrusted	5,087.0	4,378.9	4,320.2
Debt securities issued	8,142.4	7,638.0	6,988.7
Provisions	378.3	355.3	331.3
Corporate income tax payable	37.3	23.4	43.9
Deferred tax liabilities	253.9	233.6	197.6
	18,315.7	**16,812.8**	**16,547.8**
Liabilities classified as held-for-sale	28.1	-	**-**
Total liabilities	**18,343.8**	**16,812.8**	**16,547.8**
Equity			
Share capital	71.6	71.6	71.6
Share premium	506.4	506.4	506.4
Other reserves	3.1	- 13.2	-42.6
Retained earnings	2,490.4	2,278.1	2,046.1
Total equity	**3,071.5**	**2,842.9**	**2,581.6**
Total equity and liabilities	**21,415.2**	**19,655.7**	**19,129.4**

Income Statement

The table below sets out summary information extracted from the Issuer's audited consolidated income statement for the financial years ended 31 December 2015, 2014 and 2013:

CONSOLIDATED INCOME STATEMENT DATA	**For the years ended 31 December**		
	2015	**2014**	**2013**
	(in millions of euro)		
Revenues	8,297.6	7,619.4	7,421.5
Cost of revenues	7,231.1	6,695.2	6,599.8
Gross profit	**1,066.6**	**924.2**	**821.7**

		Interest and similar income	780.0	794.2	859.3
		Interest expenses and similar charges	330.0	377.7	479.7
		Net interest income	**450.0**	**416.5**	**379.7**
		Impairment charges on loans and receivables	23.2	20.1	25.1
		Net interest income after impairment charges on loans and receivables	**426.7**	**396.4**	**354.6**
		Unrealised gains/(losses) on financial instruments	13.5	-12.1	25.7
		Other financial gains/(losses)	–	–	- 4.0
		Net finance income	**440.2**	**384.3**	**376.3**
		Total operating and net finance income	**1,506.8**	**1,308.4**	**1,198.0**
		Staff expenses	558.0	498.6	472.3
		General and administrative expenses	290.6	263.5	256.8
		Depreciation and amortisation	56.2	54.0	48.7
		Total operating expenses	**904.7**	**816.0**	**777.7**
		Share of profit of associates and jointly controlled entities	5.9	6.6	7.5
		Profit before tax	**607.9**	**499.0**	**427.8**
		Income tax expenses	165.5	127.1	101.3
		Profit for the year	**442.5**	**372.0**	**326.4**
		Profit attributable to			
		Owners of the parent	442.5	372.0	326.4
		There has been no significant change in the financial position of the Issuer, or the Issuer and the group of companies headed by the Issuer taken as a whole, and there has been no material adverse change in the prospects of the Issuer since 31 December 2015.			
B.13	**Recent Events:**	• ***Acquisition***: On 21 March 2016, the Issuer announced the completion of the acquisition of all of its shares from Global Mobility Holding B.V. by LP Group B.V. Following the acquisition, TDR Capital (United Kingdom), sovereign wealth funds ADIA (United Arab Emirates) and GIC (Singapore), pension funds PGGM (The Netherlands) and ATP (Denmark) and Broad Street Investments indirectly own 100% of the Issuer's issued and outstanding share capital (the "**Acquisition**"). The total value of the transaction amounts to			

		approximately € 3.7 billion. The acquisition has been financed with an equity investment of approximately half of the total purchase price, a mandatory convertible note of € 480 million and an offer of notes comprising of euro-denominated senior secured notes due 2021 and U.S. dollar-denominated senior secured notes due 2021 in total amounting to approximately € 1.6 billion. None of the debt raised to finance the acquisition has been borrowed by the Issuer and the Issuer is not responsible for the repayment of such debt. LP Group B.V. plans to maintain the Issuer's diversified funding strategy going forward, supported by its investment grade rating. The members of the Supervisory Board associated with the Issuer's former (indirect) shareholders have resigned and new members have been appointed. The Supervisory Board now consists of seven members, five of which are independent. • ***Funding & liquidity activities***: Following the completion of the Acquisition on 21 March 2016, the Issuer acceded to a second Revolving Credit Facility replacing the Volkswagen Revolving Credit Facility amounting to €1.25 billion and maturing in December 2018. Furthermore, in April 2016, the Issuer concluded a €750 million public issuance with a maturity of four years and concluded a public securitization transaction (Bumper 7) in Germany amounting to €525 million effectively replacing the Issuer's securitization warehouse in Germany (Bumper DE). In May 2016, the Issuer concluded a €750 million public issuance with a maturity of five years. • ***Ratings***: At the beginning of February 2016, each of the three rating agencies downgraded the Issuer's long-term ratings by one notch and revised the outlook to stable. Specifically, on 3 February 2016, S&P further downgraded LeasePlan's long-term rating to BBB- (with a stable outlook) and removed LeasePlan's ratings from Credit Watch, on 4 February 2016, Moody's downgraded the Issuer's long-term ratings to Baa1 (with a stable outlook) from A3, and on 8 February 2016, Fitch downgraded the Issuer's long-term ratings to BBB+ (with a stable outlook) from A- and removed them from Rating Watch Negative. As a result of the downgrades of the Issuer's credit ratings in February 2016, the Issuer was required to fund certain reserves in some of its securitization structures, including Bumper DE, Bumper 6 and Bumper NL, in a total amount of €153.1 million. • ***Dividend distribution***: With respect to the year ended 31 December 2015, the Issuer declared its full annual dividend in the amount of €265.5 million, or 60.0% of its profit (as defined in accordance with IFRS), in March 2016, which was paid in April 2016.
B.14	**Dependence upon other group entities**	Not Applicable. The Issuer is not dependent upon other entities within the group.
B.15	**Principal Activities:**	The Issuer is a global fleet management and driver mobility provider. The Issuer operates in 32 countries across Europe, North and South America and the Asia-Pacific region and holds a leading market position based on total fleet size in the majority of the Issuer's markets. The Issuer offers a comprehensive portfolio of fleet management solutions covering vehicle acquisition, leasing, insurance, full-service fleet management, strategic fleet selection and management advice, fleet funding, ancillary fleet and driver services and car remarketing. The Issuer capitalises on its status as a bank by centrally supporting the group's financing activities. Euro Insurances, the Issuer's own insurance subsidiary, supports the insurance

		solutions offered by the group companies as part of their integrated service offer. As at 31 December 2015, the Issuer's group employed 7,275 people and its fleet comprised over approximately 1.6 million vehicles of various brands worldwide. As at 31 December 2015, the total book value of leases and lease receivables was €17 billion.
B.16	**Controlling Persons:**	LP Group B.V. holds 100% of the Issuer's shares. TDR Capital (United Kingdom), sovereign wealth funds ADIA (United Arab Emirates) and GIC (Singapore), pension funds PGGM (The Netherlands) and ATP (Denmark) and Broad Street Investments indirectly own 100% of the Issuer's issued and outstanding share capital.
B.17	**Ratings assigned to the Issuer or its Debt Securities:**	The Issuer's long term credit ratings are: BBB- from Standard & Poor's Credit Market Services Europe Limited ("**S&P**"), Baa1 from Moody's Investors Service Limited ("**Moody's**") and BBB+ from Fitch Ratings Ltd ("**Fitch**"). S&P has confirmed the following ratings to this Programme for unsecured and unsubordinated Notes: BBB- / A-3, representing respectively the long and short term rating. Moody's has confirmed the following ratings to this Programme for unsecured and unsubordinated Notes: Baa1 / P-2, representing respectively the long and short term rating. Fitch has confirmed the following ratings to this Programme for unsecured and unsubordinated Notes: BBB+ / F2, representing respectively the long and short term rating. Notes issued pursuant to the Programme may be rated or unrated. Where an issue of Notes is rated, its rating will be specified in the applicable Final Terms and the relevant issue specific summary annexed to the applicable Final Terms. Whether or not each credit rating applied for in relation to the relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under the EU Credit Rating Agency Regulation (EC No. 1060/2009) will be specified in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

	Section C – The Notes	
C.1	**Description of Type and Class of Notes:**	The Notes described in this section are debt securities with a denomination of less than €100,000 (or its equivalent in any other currency). Please note that Subordinated Notes and CMS-Linked Interest Notes will only be issued with a denomination of at least €100,000 (or its equivalent in any other currency). Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations. The Notes may only be issued in bearer form. Each Tranche of Notes will (unless otherwise specified in the applicable Final Terms) be in the form of 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 either (i) with a common depositary for Euroclear Bank S.A./N.V. ("**Euroclear**") and/or Clearstream Banking, société anonyme ("**Clearstream**") and/or any other agreed clearance system or (ii) with *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.* ("**Euroclear Netherlands**"). 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 issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream Luxembourg. Each temporary global Note will be exchangeable for a permanent global Note or, if so specified in the relevant Final Terms, for definitive Notes upon certain conditions including, in the case of a temporary global Note where the issue is subject to TEFRA D selling restrictions, upon certification of non-U.S. beneficial ownership as required by U.S. Treasury regulations. The applicable Final Terms will specify that a permanent global Note is exchangeable for definitive Notes only in the limited circumstances described therein, and in respect of global Notes deposited with Euroclear Netherlands only in the limited circumstances as described in the Securities Giro Act (*Wet giraal effectenverkeer*) and in accordance with the rules and regulations of Euroclear Netherlands. Any interest in a global Note will be transferable only in accordance with the rules and procedures for the time being of either (i) Euroclear, Clearstream, Luxembourg and/or any other agreed clearance system or (ii) Euroclear Netherlands, as appropriate. The International Securities Identification Number (**ISIN**) uniquely identifies each Series of Notes and will be specified in the applicable Final Terms and the relevant issue specific summary annexed to the applicable Final Terms. **Issue specific summary**: [*currency*] [*amount*] [[●] Fixed Rate/Floating Rate/Zero Coupon] [Senior/Subordinated] Notes due [●]. The Notes are issued as Series number [●], Tranche number [●]. [The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [insert description of the Series] on [*date*/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note.] The Notes are in bearer form and will [initially] be in the form of [a temporary global Note/a permanent global Note]. The global note will be issued in [NGN form and will be deposited on or around the issue date of the Notes with a common safekeeper for Euroclear and/or Clearstream/CGN form and will be deposited on or around the issue date of the Notes [with a common depositary [for Euroclear and/or Clearstream] and/or] [●] / with Euroclear Netherlands]. [The temporary global Note will be exchangeable [for a permanent global Note/for definitive Notes] upon certain conditions [including upon certification of non-U.S. beneficial ownership as required by U.S. Treasury regulations].] The permanent global Note is exchangeable for definitive Notes only in limited circumstances described therein [and the limited circumstances as described in the Securities Giro Act (*Wet giraal effectenverkeer*) and in accordance with the rules and regulations of Euroclear Netherlands]. Any interest in a global Note will be transferable only in accordance with the rules and procedures for the time being of [Euroclear and/or

		Clearstream] [and/or] [●]/Euroclear Netherlands]. ISIN Code: [●]
C.2	**Currency:**	The currency of each Series of Notes issued will be agreed between the Issuer and the relevant Dealer at the time of issue, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms. Issue specific summary: The Notes are denominated in [●].
C.5	**Free Transferability:**	The Issuer and the Dealers have agreed restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the European Economic Area (including Italy, Luxembourg, the Netherlands and the United Kingdom) and Japan.
C.8	**The Rights Attaching to the Notes, including Ranking and Limitations to those Rights:**	Notes issued under the Programme will have terms and conditions relating to, among other matters: ***Status of the Senior Notes*** The Senior Notes and any relative Coupons constitute unsecured and unsubordinated 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 provisions of law. ***Status of the Subordinated Notes*** The Subordinated Notes (being those Notes that specify their status as Subordinated) and any relative Coupons constitute unsecured and subordinated obligations of the Issuer. Subordinated Notes of one Series will rank (i) *pari passu* without any preference among themselves and with all other present and future unsecured and equally subordinated obligations of the Issuer (other than those subordinated obligations expressed by their terms or by mandatory and/or overriding provisions of law to rank either junior or senior to the Subordinated Notes) and (ii) junior to those obligations expressed by their terms to rank in priority to the Subordinated Notes and those preferred by mandatory and/or overriding provisions of law. As a result, the claims of the holders of the Subordinated Notes of each Series (the "**Subordinated Holders**") against the Issuer will: (i) in the event of the liquidation or bankruptcy of the Issuer; or (ii) in the event that a competent court has declared that the Issuer is in a situation which requires emergency measures (*noodregeling*), as referred to in the Dutch Financial Markets Supervision Act, (*Wet op het financieel toezicht*, the "**FMSA**") and for so long as such situation is in force ("**Moratorium**"), be subordinated to (a) the claims of depositors (other than in respect of those whose deposits are expressed by their terms to rank equally to or lower than the Subordinated Notes), (b) unsubordinated claims with respect to the repayment of borrowed money, (c) other unsubordinated claims and (d) subordinated claims expressed by their terms or by law to rank in priority to the Subordinated Notes. By virtue of such subordination, payments to a Subordinated Holder will, in the event of liquidation or bankruptcy of the Issuer or in the event of a Moratorium with respect to the Issuer, only be made after, and any set-off by a Subordinated Holder shall be excluded until, all obligations of the Issuer resulting from higher ranking deposits, unsubordinated claims with respect to the repayment of borrowed money and other unsubordinated claims and higher ranking subordinated claims have been satisfied. The Subordinated Notes of this Series may qualify as Tier 2 capital

("**Tier 2 Notes**") as specified in the applicable Final Terms for the purposes of the regulatory capital rules applicable to the Issuer from time to time.

Negative Pledge – Senior Notes

The terms of the Senior Notes contain a negative pledge provision which, for so long as any Senior Notes are outstanding, prohibit the Issuer from creating or permitting to subsist any mortgage, charge, pledge, lien or other encumbrance upon the whole or any part of its present or future receivables, undertaking, assets or revenues to secure certain relevant indebtedness without at the same time or prior thereto granting to the holders of any Senior Notes the same or equivalent security. The negative pledge provision is subject to certain permitted encumbrances.

Events of Default – Senior Notes

The terms of the Senior Notes will contain, amongst others, the following events of default:

(i) default in payment of any principal or interest due in respect of the Senior Notes, continuing for a specified period of time;
(ii) non-performance or non-observance by the Issuer of any of its other obligations under the conditions of the Senior Notes, continuing for a specified period of time;
(iii) default by the Issuer in payment when due or within any originally applicable grace period of any borrowed money, or failure to honour a guarantee or indemnity, each in an amount which exceeds in aggregate EUR 50,000,000;
(iv) events relating to the insolvency, winding up, liquidation, inability to pay of the Issuer or the appointment of a liquidator or receiver in relation to the Issuer or its assets or attachment against the Issuer's assets or an assignment or composition with creditors.

Events of Default – Subordinated Notes

Events of Default of Subordinated Notes are restricted to bankruptcy and liquidation and repayment following an Event of Default may be subject to the prior permission of the Competent Authority.

Meetings

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

Taxation

All payments in respect of the Notes will be made free and clear of withholding or deducting taxes of The Netherlands, unless the withholding is required by law. In that event, the Issuer will either (i) subject to customary exceptions, pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of the Notes had no such withholding been required or (ii) make the required withholding or deduction but the Issuer will not pay any additional amounts to compensate Noteholders, as will be agreed between the Issuer and the relevant Dealer at the time of issue of the Notes, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms.

		Future issues The conditions of the Notes do not restrict the amount of securities which the Issuer may issue and which rank senior or *pari passu* in priority of payments with the Notes. ***Prescription*** The Notes and related Coupons will become void unless claims in respect of principal and/or interest are made within a period of five years after the date on which such payment first became due. ***Governing law*** Dutch law. **Issue specific summary**: [***Status*** The Notes [and any relative Coupons] constitute unsecured and unsubordinated 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 provisions of law.][3] [***Status*** The Notes [and any relative Coupons] constitute unsecured and subordinated obligations of the Issuer and will rank (i) *pari passu* without any preference among themselves and with all other present and future unsecured and equally subordinated obligations of the Issuer (other than those subordinated obligations expressed by their terms or by mandatory and/or overriding provisions of law to rank either junior or senior to the Subordinated Notes) and (ii) junior to those obligations expressed by their terms to rank in priority to the Subordinated Notes and those preferred by mandatory and/or overriding provisions of law. As a result, the claims of the holders of the Notes (the "**Subordinated Holders**") against the Issuer will: (i) in the event of the liquidation or bankruptcy of the Issuer; or (ii) in the event that a competent court has declared that the Issuer is in a situation which requires emergency measures (*noodregeling*), as referred to in the Dutch Financial Markets Supervision Act, (*Wet op het financieel toezicht*, the "**FMSA**") and for so long as such situation is in force ("**Moratorium**"), be subordinated to (a) the claims of depositors (other than in respect of those whose deposits are expressed by their terms or by law to rank equally to or lower than the Notes), (b) unsubordinated claims with respect to the repayment of borrowed money, (c) other unsubordinated claims and (d) subordinated claims expressed by their terms or by law to rank in priority to the Subordinated Notes. By virtue of such subordination, payments to a Subordinated Holder will, in the event of liquidation or bankruptcy of the Issuer or in the event of a Moratorium with respect to the Issuer, only be made after, and any set-off by a Subordinated Holder shall be excluded until, all obligations of the Issuer resulting from higher ranking deposits, unsubordinated claims with respect to the repayment of borrowed money and other unsubordinated claims and senior ranking subordinated claims have been satisfied.

[3] Delete in case of Subordinated Notes.

		The Notes of this Series may qualify as Tier 2 capital ("**Tier 2 Notes**") as specified in the applicable Final Terms for the purposes of the regulatory capital rules applicable to the Issuer from time to time.][4] [***Negative Pledge*** The terms of the Notes contain a negative pledge provision which, for so long as any Notes are outstanding, prohibit the Issuer from creating or permitting to subsist any mortgage, charge, pledge, lien or other encumbrance upon the whole or any part of its present or future receivables, undertaking, assets or revenues to secure certain relevant indebtedness without at the same time or prior thereto granting to the holders of any Notes the same or equivalent security. The negative pledge provision is subject to certain permitted encumbrances.][5] [***Events of Default*** The terms of the Notes will contain, amongst others, the following events of default: (i) default in payment of any principal or interest due in respect of the Notes, continuing for a specified period of time; (ii) non-performance or non-observance by the Issuer of any of its other obligations under the conditions of the Notes, continuing for a specified period of time; (iii) default by the Issuer in payment when due or within any originally applicable grace period of any borrowed money, or failure to honour a guarantee or indemnity, each in an amount which exceeds in aggregate EUR 50,000,000; (iv) events relating to the insolvency, winding up, liquidation, inability to pay of the Issuer or the appointment of a liquidator or receiver in relation to the Issuer or its assets or attachment against the Issuer's assets or an assignment or composition with creditors.][6] **[*Events of Default*** Events of Default of the Notes are restricted to bankruptcy and liquidation and repayment following an Event of Default may be subject to the prior permission of the Competent Authority.][7]
C.9	**The Rights Attaching to the Notes (Continued), including information as to Interest, Maturity, Yield and the Representative of the Holders:**	***Interest*** Notes may or may not bear interest. Interest-bearing Notes will either bear interest payable at a fixed rate or a floating rate. In each case, the interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer at the time of issue of the Notes, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms. In addition, the interest rate and yield in respect of Notes bearing interest at a fixed rate will also be so agreed, specified and summarised. Floating rates of interest will be calculated by reference to a reference rate (such as, but not limited to, LIBOR or EURIBOR). The reference rate and the manner in which the floating rate of interest will be calculated using the reference rate (including any margin over

[4] Delete in case of Senior Notes.

[5] Delete in case of Subordinated Notes.

[6] Delete in case of Subordinated Notes

[7] Delete in case of Senior Notes

		or below the reference rate) will be agreed between the Issuer and the relevant Dealer at the time of issue of the relevant Notes, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms. Notes which do not bear any interest will be offered and sold at a discount to their nominal amount. The terms applicable to each Series of such Notes will be agreed between the Issuer and the relevant Dealer at the time of issue of the relevant Notes, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms. ***Redemption*** The terms under which Notes may be redeemed (including the maturity date and the price at which they will be redeemed on the maturity date as well as any provisions relating to early redemption) will be agreed between the Issuer and the relevant Dealer at the time of issue of the relevant Notes, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms. ***Representative of Noteholders*** Not Applicable. No representative of Noteholders is appointed under the terms of the Notes. ***Additional provisions for Subordinated Notes*** *Variation and Substitution* If Variation or Substitution is specified in the applicable Final Terms and if the whole of the outstanding nominal amount of the Subordinated Notes can no longer be included in full in the Tier 2 capital of the Issuer by reason of their non-compliance with the regulatory capital applicable to the Issuer or a regulatory call is triggered as set out in the conditions of the Subordinated Notes, then the Issuer may, subject to the prior written permission of the Competent Authority, if required at the relevant time (but without any requirement for the consent or approval of the Subordinated Holders), substitute the Subordinated Notes or vary the terms of the Subordinated Notes in order to ensure that they remain or, as appropriate, become compliant with the regulatory capital applicable to the Issuer at the relevant time. However, such variation or substitution shall not result in terms that are materially less favourable to the Subordinated Holders and the resulting securities must have at least, *inter alia*, the same ranking, interest rate, maturity date, redemption rights, existing rights to accrued interest which has not been paid and assigned the same ratings as the Subordinated Notes. *Loss Absorption* The Subordinated Notes may become subject to the determination by the relevant resolution authority or the Issuer (following instructions from the relevant resolution authority) that all or part of the nominal amount of the Subordinated Notes, including accrued but unpaid interest in respect thereof, must be written down or converted into common equity Tier 1 instruments or otherwise be applied to absorb losses, all as prescribed by the relevant law ("**Statutory Loss Absorption**"). Upon any such determination, (i) the relevant proportion of the outstanding nominal amount of the Subordinated Notes subject to Statutory Loss Absorption shall be written down or converted into common equity Tier 1 instruments or otherwise be applied to absorb losses, as prescribed by the relevant law, (ii) such Statutory Loss Absorption shall not constitute an event of default

		under the conditions of the Subordinated Notes and (iii) the Subordinated Holders will have no further claims in respect of the amount so written down or subject to conversion or otherwise as a result of such Statutory Loss Absorption. Any written down amount as a result of Statutory Loss Absorption shall be irrevocably lost and holders of such Subordinated Notes will cease to have any claims for any principal amount and accrued but unpaid interest which has been subject to write down. In addition, subject to the determination by the relevant resolution authority and without the consent of the Noteholders, the Subordinated Notes may be subject to other resolution measures as envisaged under the relevant law. **Issue specific summary**: ***Interest*** [The Notes bear interest from [●] at a fixed rate of [●] per cent. per annum payable in arrear on [●] [and [●]] in each year, subject to adjustment for non-business days. [The amount of interest payable on each interest payment date is [●].] Based upon the issue price of [●], at the issue date the anticipated yield of the Notes is [●] per cent. per annum.] [The Notes bear interest at floating rates calculated by reference to [*specify reference rate*] [plus/minus] a margin of [●] per cent. Interest will be paid [annually/semi-annually/quarterly] in arrear on [●] [,[●], [●] and [●]] in each year, subject to adjustment for non-business days. The amount of interest payable on each interest payment date will be published by [*Agent*] in accordance with the conditions of the Notes.] [The Notes do not bear interest.] ***Maturity*** Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed on [●] at [●] per cent. of their nominal amount. ***Early Redemption*** [None, other than following an event of default as set out in the Conditions of the Notes]. [The Notes may be redeemed at the option of the Issuer in whole [or in part] [at any time/on [●]] at [●] plus any accrued interest (subject to a notice period set out in the conditions of the Notes or these Final Terms) for any reason[, if the Issuer is obliged to pay additional amounts to the Noteholders as referred in *Taxation* above] [or if at least [●] per cent. of the outstanding nominal amount of the Notes is fully excluded from qualifying as Tier 2 capital,] [subject to certain conditions set out in the conditions of the Notes]. [The Issuer shall, at the option of the holder of any Note redeem such Note on [●] at [●] together with any accrued interest (subject to a notice period set out in the conditions of the Notes or these Final Terms).] ***[Variation and Substitution*** If the whole of the outstanding nominal amount of the Notes can no longer be included in full in the Tier 2 capital of the Issuer by reason of their non-compliance with the regulatory capital applicable to the Issuer or a regulatory call is triggered as set out in the conditions of the Notes, then the Issuer may, subject to the prior written permission of the Competent Authority, if required at the relevant time (but without any requirement for the consent or approval of the Subordinated Holders), substitute the Notes or vary the terms of the Subordinated Notes in order to ensure that they remain or, as

		appropriate, become compliant with the regulatory capital applicable to the Issuer at the relevant time. However, such variation or substitution shall not result in terms that are materially less favourable to the Subordinated Holders and the resulting securities must have at least, *inter alia*, the same ranking, interest rate, maturity date, redemption rights, existing rights to accrued interest which has not been paid and assigned the same ratings as the Notes.][8] ***[Loss Absorption*** The Notes may become subject to the determination by the relevant resolution authority or the Issuer (following instructions from the relevant resolution authority) that all or part of the nominal amount of the Subordinated Notes, including accrued but unpaid interest in respect thereof, must be written down or converted into common equity Tier 1 instruments or otherwise be applied to absorb losses, all as prescribed by the relevant law ("**Statutory Loss Absorption**"). Upon any such determination, (i) the relevant proportion of the outstanding nominal amount of the Notes subject to Statutory Loss Absorption shall be written down or converted into common equity Tier 1 instruments or otherwise be applied to absorb losses, as prescribed by the relevant law, (ii) such Statutory Loss Absorption shall not constitute an event of default under the conditions of the Notes and (iii) the Subordinated Holders will have no further claims in respect of the amount so written down or subject to conversion or otherwise as a result of such Statutory Loss Absorption. Any written down amount as a result of Statutory Loss Absorption shall be irrevocably lost and holders of such Notes will cease to have any claims for any principal amount and accrued but unpaid interest which has been subject to write down. In addition, subject to the determination by the relevant resolution authority and without the consent of the Noteholders, the Notes may be subject to other resolution measures as envisaged under the relevant law.][9]
C.10	**Derivative Components:**	Not Applicable. The Notes will not have a derivative component in interest payments.
C.11 **C.21**	**Listing and Trading:**	Notes may be listed on Euronext Amsterdam or on the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg) or such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer, or may be issued on an unlisted basis. The applicable Final Terms will state whether or not the Notes are to be listed and, if so, on which stock exchanges and this information will also be included in the relevant issue specific summary annexed to the applicable Final Terms. **Issue specific summary:** [Application has been made for the Notes to be admitted to trading on Euronext Amsterdam with effect from [●].]/[Application has been made for the Notes to be admitted to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange with effect from [●].] [Application has been made for the Notes to be admitted to listing, trading and/or quotation on [●] with effect from [●].] [The Issuer does not intend to make any application for the Notes to be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system.]

[8] Delete in case of Senior Notes or in case of Subordinated Notes where *Variation or Substitution* is specified as *Not Applicable*.

[9] Delete in case of Senior Notes.

	Section D - Risks	
D.2	**Risks Specific to the Issuer:**	When purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material. The Issuer's activities are subject to the normal risks associated with every business such as, and not limited to, credit risks, operational risks, compliance risks, insurance risks and treasury risks. However, additionally and particularly they are related to movements in the residual values of cars. The Issuer has identified a number of such factors which could materially adversely affect its business and ability to make payments due under the Notes. These factors include: – a decrease in the residual values (also referred to as the sale proceeds) of the Issuer's leased vehicles could have a material adverse effect on the Issuers business, financial condition and results of operations; – the Issuer's business requires substantial funding and liquidity, and disruption in its funding sources or access to the capital markets could have a material adverse effect on its business, liquidity, cash flows, financial condition and results of operations; – the Issuer is exposed to the risk that its customers may default on leasing and/or fleet management contracts or that the credit quality of its customers may deteriorate; – the Issuer is exposed to credit risk from its counterparties on financial instruments and reinsurance contracts; – changes in interest rates may have a material adverse effect on the Issuer's financial condition and results of operations; – changes in foreign currency exchange rates may adversely affect the Issuer's financial condition and results of operations; – the Issuer is subject to a bank supervisory regime in The Netherlands and other regulatory regimes and regulatory actions in the jurisdictions in which it operates, including The Netherlands, and changes in these regulatory regimes could adversely affect its business, financial condition, results of operations and liquidity; – the Issuer faces risks related to its motor insurance business and local risk retention schemes; – the Issuer is exposed to operational risks in connection with its activities, including information technology, information technology security and data protection risks; – the Issuer could be adversely affected by reputational risk; – the Issuer is subject to risks arising from legal disputes and may become the subject of governmental or regulatory investigations or proceedings; – the Issuer may have difficulty in executing its growth strategy; – the Issuer may be subject to risks arising from the

		Acquisition.
D.3	**Risks Specific to the Notes:**	There are also risks associated with particular issues of Notes. These include: – there may be not be an active trading market in Notes; – the value of an investor's investment may be adversely affected by exchange rate movements or exchange controls where Notes are not denominated in the investor's own currency; – [any credit rating assigned to Notes may not adequately reflect all the risks associated with an investment in such Notes and ratings assigned to the Notes may be lowered, suspended or withdrawn;] – [changes in interest rates will affect the value of Notes which bear interest at a fixed rate;] – in certain circumstances, the conditions of Notes may be modified without the consent of the Noteholder; – [the holder may not receive payment of the full amounts due in respect of Notes as a result of amounts being withheld by the Issuer in order to comply with applicable law;] – investors are exposed to the risk of changes in law or regulation affecting the value of their Notes; – [the Notes may be subject to optional redemption;] – [variable rate Notes with a multiplier or other leverage factor may lead to volatile market values of the Notes;] – [Inverse Floating Rate Notes may be more volatile than other conventional floating rate debt securities based on the same reference rate;] – [Notes issued at a substantial discount or premium may be subject to greater market price volatility;] – [a reset of the interest rate could affect the market value of an investment in the Notes;] – [holders of Subordinated Notes have limited rights to accelerate;] – [there is a redemption risk in respect of certain issues of Subordinated Notes;] – [there is variation or substitution risk in respect of certain Series of Subordinated Notes;] – [statutory loss absorption of Subordinated Notes could have an adverse effect on the market price of the relevant Subordinated Notes;] – no limitation to issue senior or *pari passu* ranking Notes; – New banking legislation for ailing banks give regulators resolution powers (including powers to write down and convert debt); – [since the Notes may be traded in amounts in excess of a Specified Denomination, that is not an integral multiple, you

		may need to purchase additional Notes in order to be able to transfer your holdings or to receive definitive Notes;] – [because the Notes may be held in global form and, therefore, by or on behalf of Euroclear and Clearstream, Luxembourg or by Euroclear Netherlands you will need to rely on the procedures of these organizations for transfers, payments and communications with the Issuer; further, the ability in respect of Notes in global form to pledge holdings will be limited to the extent that the party demanding the pledge requires securities in physical form;] – potential Conflict of Interest of Dealers and its affiliates and/or the Issuer and its affiliates; – payment in certain Notes may be subject to U.S. withholding tax under FATCA.

	Section E - Offer	
E.2b	**Reasons for the Offer and Use of Proceeds:**	The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes, which include making a profit and/or hedging certain risks. If in respect of a particular issue of Notes there is a particular identified use of proceeds, this will be stated in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms. **Issue specific summary**: The net proceeds from each issue of Notes will be used for [general corporate purposes of the Issuer, which include making a profit and/or hedging certain risks]/[●]].
E.3	**Terms and Conditions of the Offer:**	The terms and conditions of each offer of Notes (including the price and amount) will be determined by agreement between the Issuer and the relevant Dealers at the time of issue, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms. An Investor intending to acquire or acquiring any Notes in a Public Offer from an offeror will do so, and offers and sales of such Notes to an Investor by such offeror will be made, in accordance with any terms and other arrangements in place between such offeror and such Investor including as to price, allocations and settlement arrangements. **Issue specific summary**: The Issue Price of the Notes is [●] per cent. of their principal amount. [Summarise any public offer[10].] [An Investor intending to acquire or acquiring any Notes from an Offeror other than the Issuer will do so, and offers and sales of Notes to an Investor by such Offeror will be made, in accordance with any terms and other arrangements in place between such Offeror and such Investor including as to price, allocations and settlement arrangements.]
E.4	**Interests Material to the Issue:**	The Issuer has appointed Dealers for the Programme. The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in the Dealer Agreement made between the Issuer and the Dealers. The relevant Dealers may be paid fees in relation to any issue of Notes under the Programme. Any such Dealer and its affiliates may also have engaged, and may in the future engage, in investment

[10] Copy language from paragraph 10, *Terms and Conditions of the Offer* of Part B of the Final Terms when completed.

		banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. If in respect of a particular issue of Notes there is a particular identified interest material to the issue, this will be stated in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms. **Issue specific summary**: [Syndicated Issue: The Issuer has appointed [●],[●] and [●] (the "**Managers**") as Managers of the issue of the Notes. The arrangements under which the Notes are sold by the Issuer to, and purchased by, Managers are set out in the Subscription Agreement made between the Issuer and the Managers] [Non-Syndicated Issue: The Issuer has appointed [●] (the "**Dealer**") as Dealer in respect of the issue of the Notes. The arrangements under which the Notes are sold by the Issuer to, and purchased by, Dealer are set out in the Dealer Agreement made between, amongst others, the Issuer and the Dealer] [Stabilising Manager(s): [●] [and [●].] The [Dealers/Managers] will be paid aggregate commissions equal to [•] per cent. of the nominal amount of the Notes. Any [Dealer/Manager] and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and [its/their respective] affiliates in the ordinary course of business.
E.7	**Estimated Expenses:**	No expenses will be chargeable by the Issuer to an investor in connection with any offer of Notes. Any expenses chargeable by an Authorised Offeror to an investor shall be charged in accordance with any contractual arrangements agreed between the investor and such Authorised Offeror at the time of the relevant offer.

RISK FACTORS

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. Investing in the Notes involves certain risks. Prospective investors should consider, among other things, the following:

Each prospective investor of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes (i) is fully consistent with its (or if it is acquiring the Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (ii) complies and is fully consistent with any investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or, if it is acquiring the Notes in a fiduciary capacity, for the beneficiary). In particular, investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should therefore consult its legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, (ii) the Notes can be used as underlying securities for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes.

Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Risk Relating To The Market Generally

There can be no assurance that a secondary market for the Notes will develop or provide sufficient liquidity. Upon purchase of the Notes you may bear the risk of limited liquidity and its effect on the value of the Notes.

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although application may be made for the Notes issued under the Programme to be admitted to listing on Euronext, any other regulated or unregulated market within the EEA or any further or other stock exchange(s), there is no assurance that such applications will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes. A decrease in the liquidity of an issue of Notes may cause, in turn, an increase in the volatility associated with the price of such issue of Notes. Any investor in the Notes must be prepared to hold such Notes for an indefinite period of time or until redemption of the Notes. If any person begins making a market for the Notes, it is under no obligation to continue to do so and may stop making a market at any time. Illiquidity may have a severely adverse effect on the market value of Notes.

If your financial activities are denominated principally in a currency unit other than the Specified Currency you will be subject to exchange rate risks and, potentially, 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 depreciation of the Specified Currency or appreciation 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.

Changes in prevailing bond interest rates may adversely affect the value of the Fixed Rate Notes.
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.

Interest rates of Floating Rate Notes and CMS-Linked Interest Notes may fluctuate and provide uncertain interest income.
A Holder of Floating Rate Notes or CMS-Linked Interest Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the yield of Floating Rate Notes and CMS-Linked Interest Notes in advance. Neither the current nor the historical value of the relevant floating rate or CMS rate should be taken as an indication of the future development of such floating rate or CMS rate during the term of any Floating Rate Notes, respectively CMS-Linked Interest Notes.

The Notes may not be a suitable investment for you.
Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus and any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential Investor's Currency;

(iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios relating to the economic interest rate and other factors that may affect its investment and its 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. 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. Set out below is a description of the most common of such features.

The Notes may be subject to optional redemption by the Issuer.
Unless in the case of any particular Tranche of Notes the relevant Final Terms specify otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of The Netherlands or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, if in the case of any particular Tranche of Notes the Notes are redeemable at the Issuer's option or the applicable Final Terms specify that the Notes are redeemable at the Issuer's option in certain other circumstances the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect, or the likelihood (or perceived likelihood) that the Issuer may be able to 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.

Variable rate Notes with a multiplier or other leverage factor may lead to volatile market values of the Notes.
Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes may be more volatile than other conventional floating rate debt securities based on the same reference rate.
Inverse Floating Rate Notes (also called Reverse Floating Rate Notes) have an interest rate which is determined as a difference between a fixed interest rate and a floating rate reference rate such as EURIBOR (Euro Interbank Offered Rate) or LIBOR (London Interbank Offered Rate) which means that interest income on such Notes falls if the reference interest rate increases. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Notes issued at a substantial discount or premium may be subject to greater market price volatility.
The market values of Notes 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 Notes. Generally, the longer the remaining term of the Notes, the greater the price volatility as compared to conventional interest-bearing Notes with comparable maturities.

A reset of the interest rate could affect the market value of an investment in the Notes.
Fixed Rate Notes may bear interest at an initial Rate of Interest subject to one or more resets during the tenor of the Notes. Such reset rate could be less than the initial Rate of Interest and could affect the market value of an investment in the Notes.

Risks related to Subordinated Notes

Holders of Subordinated Notes have limited rights to accelerate.
The Issuer may issue Notes under the Programme which are subordinated to the extent described in Condition 2 of the Terms and Conditions of the Notes. Any such Subordinated Notes will constitute unsecured and subordinated obligations of the Issuer and will rank (i) *pari passu* without any preference among themselves and with all other present and future unsecured and equally subordinated obligations of the Issuer (other than those subordinated obligations expressed by their terms or by mandatory and/or overriding provisions of law to rank either junior or senior to the Subordinated Notes) and (ii) junior to those obligations expressed by their terms to rank in priority to the Subordinated Notes and those preferred by mandatory and/or overriding provisions of law. As a result, in the event of liquidation or bankruptcy of the Issuer or in the event of a Moratorium (as defined in Condition 2 of the Terms and Conditions of the Notes) with respect to the Issuer, the claims of the holders of the Subordinated Notes ("**Subordinated Noteholders**") against the Issuer will be subordinated to (a) the claims of depositors (other than in respect of those whose deposits are expressed by their terms to rank equally to or lower than the Subordinated Notes), (b) unsubordinated claims with respect to the repayment of borrowed money, (c) other unsubordinated claims and (d) subordinated claims expressed by their terms or by law to rank in priority to the Subordinated Notes. By virtue of such subordination, payments to a Subordinated Noteholder will, in the event of liquidation or bankruptcy of the Issuer or in the event of a Moratorium with respect to the Issuer, only be made after, and any set-off by a Subordinated Noteholder shall be excluded until, all obligations of the Issuer resulting from higher ranking deposits, unsubordinated claims with respect to the repayment of borrowed money and other unsubordinated claims and senior ranking subordinated claims have been satisfied. A Subordinated Noteholder may therefore recover less than the holders of deposit liabilities or the holders of other unsubordinated or senior subordinated liabilities of the Issuer. Furthermore, the Terms and Conditions of the Notes do not limit the amount of the liabilities ranking senior to any Subordinated Notes which may be incurred or assumed by the Issuer from time to time, whether before or after the issue date of the relevant Subordinated Notes.

In addition, the rights of Subordinated Noteholders are limited in certain respects. In particular, (i) redemption of Subordinated Notes expressed to qualify as Tier 2 Notes pursuant to Conditions 7(b), (c) or (e) of the Terms and Conditions of the Notes may only be effected after the Issuer has obtained

the prior written permission of the Competent Authority and (ii) the Issuer may be required to obtain the prior written permission of the Competent Authority before effecting any repayment of Subordinated Notes expressed to qualify as Tier 2 Notes following an Event of Default. See Condition 10(b) of the Terms and Conditions of the Notes for further details. See also the risk factor entitled "Redemption risk in respect of certain Series of Subordinated Notes".

Subordinated Noteholders will only have limited rights to accelerate repayment of the principal amount of Subordinated Notes. See Condition 10 (*Events of Default*) of the Terms and Conditions of the Notes, which limits the events of default to (i) any order being made by any competent court or resolution being passed for the winding up or dissolution of the Issuer (unless this is done for the purpose of or pursuant to a consolidation, amalgamation, merger or reconstruction where either (a) prior consent thereto has been given by an Extraordinary Resolution of the Noteholders or (b) under which the continuing entity effectively assumes all of the rights and obligations of the Issuer) or (ii) if the Issuer is declared bankrupt or a declaration in respect of the Issuer is made under Article 3:163(1)(b) of the FMSA. Accordingly, if the Issuer fails to meet any interest payment or other obligation under the Subordinated Notes, such failure will not give the Subordinated Noteholder any right to accelerate repayment of the principal amount of the Subordinated Notes.

Given these features of Subordinated Notes, there is a risk that an investor in Subordinated Notes will lose all or some of his investment should the Issuer become insolvent.

There is a redemption risk in respect of certain issues of Subordinated Notes.
The Issuer may redeem Subordinated Notes expressed to qualify as Tier 2 Notes, at the amount and on the date(s) specified in the applicable Final Terms if the applicable Final Terms in respect of such Subordinated Notes indicate that such Subordinated Notes are redeemable at the option of the Issuer if there is a change in the regulatory classification of such Subordinated Notes that has resulted or would be likely to result in such Subordinated Notes being excluded, in whole but not in part, from the Tier 2 capital (within the meaning of the CRD IV Regulation as defined in the Terms and Conditions of the Notes) of the Issuer or reclassified as a lower quality form of own funds of the Issuer, which change in regulatory classification (or reclassification) (i) becomes effective on or after the Issue Date and, if redeemed within five years after the Issue Date (ii) is considered by the Competent Authority to be sufficiently certain and (iii) the Issuer has demonstrated to the satisfaction of the Competent Authority was not reasonably foreseeable at the time of their issuance as required by Article 78(4) CRD IV Regulation, and provided the Issuer has notified the holders of the relevant Subordinated Notes accordingly.

The Issuer may choose to redeem such Subordinated Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes. Furthermore, an optional redemption feature of Subordinated Notes may limit their market value. During any period when the Issuer may elect, or the likelihood (or perceived likelihood) that the Issuer may be able to elect, to redeem such Subordinated Notes, the market value of those Notes generally may not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

There is variation or substitution risk in respect of certain Series of Subordinated Notes.
If Variation or Substitution is specified in the applicable Final Terms and if a CRD IV Capital Event or a Capital Event (as defined in Condition 7(e) of the Terms and Conditions of the Notes) has occurred and is continuing, then the Issuer may, subject to the prior written permission of the Competent Authority if required at the relevant time (but without any requirement for the consent or approval of the Subordinated Noteholders), substitute Subordinated Notes expressed to qualify as Tier 2 Notes or vary the terms of such Subordinated Notes in order to ensure that they remain or, as appropriate, become compliant with CRD IV or such other regulatory capital rules applicable to the Issuer at the relevant time. The terms and conditions of such varied or substituted Subordinated Notes may have terms and conditions that contain one or more provisions that are substantially different from the terms and conditions of the original Subordinated Notes. However, the Issuer cannot make changes to the terms of the Subordinated Notes or substitute the Subordinated Notes for securities that are materially less favourable to the Subordinated Noteholders. Following such variation or substitution the resulting securities must have at least, *inter alia*, the same ranking, interest rate, maturity date, redemption rights, existing rights to accrued interest which has not been paid and assigned the same ratings as the Subordinated Notes. Nonetheless, no assurance can be given as to whether any of these changes will negatively affect any particular Subordinated Noteholder. In addition, the tax and stamp duty consequences of holding such varied or substituted Notes could be different for some categories of Subordinated Noteholders from the tax and stamp duty consequences of their holding the Subordinated Notes prior to such variation or substitution. See Condition 7(e) of the Terms and

Conditions of the Notes for further details.

The Competent Authority has discretion as to whether or not it will approve any substitution or variation of the Subordinated Notes expressed to qualify as Tier 2 Notes. Any such substitution or variation which is considered by the Competent Authority to be material shall be treated by it as the issuance of a new instrument. Therefore, such Subordinated Notes, as so substituted or varied, must be eligible as Tier 2 capital in accordance with the then prevailing regulatory capital rules applicable to the Issuer, which may include a requirement that (save in certain prescribed circumstances) such Subordinated Notes may not be redeemed or repurchased prior to five years after the effective date of such substitution or variation.

Statutory loss absorption of Subordinated Notes could have an adverse effect on the market price of the relevant Subordinated Notes.

The Terms and Conditions of the Subordinated Notes stipulate that the Subordinated Notes may become subject to the determination by the relevant Resolution Authority or the Issuer (following instructions from the relevant Resolution Authority) that all or part of the nominal amount of the Subordinated Notes, including accrued but unpaid interest in respect thereof, must be written down, reduced, redeemed and cancelled or converted into common equity Tier 1 instruments or otherwise be applied to absorb losses, all as prescribed by the Applicable Resolution Framework ("**Statutory Loss Absorption**"). Upon any such determination, (i) the relevant proportion of the outstanding nominal amount of the Subordinated Notes subject to Statutory Loss Absorption shall be written down, reduced, redeemed and cancelled or converted into common equity Tier 1 instruments or otherwise be applied to absorb losses, as prescribed by the Applicable Resolution Framework, (ii) such Statutory Loss Absorption shall not constitute an Event of Default and (iii) the Subordinated Noteholders will have no further claims in respect of the amount so written down or subject to conversion or otherwise as a result of such Statutory Loss Absorption.

Any written-down amount as a result of Statutory Loss Absorption shall be irrevocably lost and holders of such Subordinated Notes will cease to have any claims for any principal amount and accrued but unpaid interest which has been subject to write down.

The determination that all or part of the nominal amount of the Subordinated Notes will be subject to Statutory Loss Absorption may be inherently unpredictable and may depend on a number of factors which may be outside of the Issuer's control. Accordingly, trading behaviour in respect of Subordinated Notes which are subject to Statutory Loss Absorption is not necessarily expected to follow trading behaviour associated with other types of securities. Any indication, likelihood or perceived likelihood that Subordinated Notes may become subject to Statutory Loss Absorption could have an adverse effect on the market price of the relevant Subordinated Notes. Potential investors should consider the risk that a Subordinated Noteholder may lose all of its investment in such Subordinated Notes, including the principal amount plus any accrued but unpaid interest, in the event that Statutory Loss Absorption occurs.

"**Applicable Resolution Framework**" means any relevant laws and regulations applicable to the Issuer at the relevant time pursuant to, or which implement, or are enacted within the context of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council, or any other resolution or recovery rules which may from time to time be applicable to the Issuer, including Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010; and

"**Resolution Authority**" means the European Single Resolution Board, the Dutch Central Bank (*De Nederlandsche Bank N.V.*) (also referred to herein as the DNB) or such other regulatory authority or governmental body having the power to impose Statutory Loss Absorption on the Subordinated Notes pursuant to the Applicable Resolution Framework.

See also the risk factor entitled "Proposed and new banking legislation dealing with ailing banks give regulators resolution powers (including powers to write down and convert debt)".

No limitation to issue senior or pari passu ranking Notes

The Terms and Conditions of the Notes do not restrict the amount of securities which the Issuer may issue and which rank senior or *pari passu* in priority of payments with the Subordinated Notes.

The issue of any such securities may reduce the amount recoverable by Subordinated Noteholders on a winding-up of the Issuer. Accordingly, in the winding-up of the Issuer and after payment of the claims of senior creditors and of depositors, there may not be a sufficient amount to satisfy the amounts owing to the Subordinated Noteholders.

Risks Related To The Notes Generally

New banking legislation for ailing banks give regulators resolution powers (including powers to write down and convert debt)

In 2012, the Dutch legislature adopted banking legislation dealing with ailing banks (the Special Measures Financial Institutions Act, *Wet bijzondere maatregelen financiële ondernemingen*, the "**SMFI**"). Under the SMFI, substantial powers were granted to the DNB and the Dutch Minister of Finance enabling them to deal with, *inter alia*, ailing Dutch banks prior to insolvency.

The national framework for intervention with respect to banks by the DNB has been replaced by the law implementing the resolution framework set out in the BRRD (see below). However, the powers granted to the Dutch Minister of Finance under the SMFI remain in place. The Dutch Minister of Finance may, with immediate effect, take measures or expropriate assets or securities issued by or with the consent of a financial firm (financiële onderneming) or its parent, in each case if it has its corporate seat in The Netherlands, if in the Minister of Finance's opinion the stability of the financial system is in serious and immediate danger as a result of the situation in which the firm finds itself.

On 12 June 2014, a directive providing for the establishment of a European-wide framework for the recovery and resolution of credit institutions and investment firms (2014/59/EU, the "**BRRD**") was published in the Official Journal of the European Union. The measures set out in the BRRD have been implemented in national law with effect from 26 November 2015 (see also the risk factor entitled "The Issuer is subject to a bank supervisory regime in The Netherlands and other regulatory regimes and regulatory actions in the jurisdictions in which it operates, including The Netherlands, and changes in these regulatory regimes could adversely affect its business, financial condition, results of operations and liquidity") and provide resolution authorities the power to ensure that capital instruments (such as the Subordinated Notes) and eligible liabilities (such as the Senior Notes) absorb losses when the Issuer meets the conditions for resolution, through the write down or conversion to equity of such instruments (the "**Bail-In Tool**").

Resolution authorities are expected to be required to exercise the Bail-In Tool in a way that results in (i) common equity Tier 1 instruments being written down first in proportion to the relevant losses and (ii) thereafter, the principal amount of other capital instruments (including Tier 2 instruments such as Subordinated Notes qualifying as Tier 2 Notes) being written down or converted into common equity Tier 1 on a permanent basis and (iii) thereafter, eligible liabilities (which the Senior Notes are likely to be) being written down or converted in accordance with a set order of priority. The point at which the resolution authorities determine that the Issuer meets the conditions for resolution is defined as:

a) the Issuer is failing or likely to fail, which means (i) the Issuer has incurred/is likely to incur in the near future losses depleting all or substantially all its own funds, and/or (ii) the assets are/will be in the near future less than its liabilities, and/or (iii) the Issuer is/will be in the near future unable to pay its debts as they fall due, and/or (iv) the Issuer requires public financial support;

b) there is no reasonable prospect that a private action or supervisory action would prevent the failure within a reasonable timeframe; and

c) a resolution action is necessary in the public interest.

However, resolution authorities could take pre-resolution actions when the Issuer or the group reaches the point of non-viability and write down or convert capital instruments (including Subordinated Notes qualifying as Tier 2 Notes) before the conditions for resolution are met (the "**Write-Down and Conversion Power**").

Noteholders may have only very limited rights to challenge and/or seek a suspension of any decision of the resolution authority to exercise its (pre-)resolution powers or to have that decision reviewed by a judicial or administrative process or otherwise. Application of any of the measures, as described above, shall not constitute an Event of Default under the Notes and Noteholders will have no further claims in respect of any amount written down or subject to conversion or otherwise as a result of the application of such measures. Accordingly, if the Bail-In Tool or the Write-Down and Conversion Power is applied, this may result in claims of Noteholders being written down or converted into equity. Furthermore, it is possible that pursuant to the BRRD, the SMFI or other resolution or recovery rules which may in the future be applicable to the Issuer, new powers may be given to resolution authorities

which could be used in such a way as to result in the debt instruments of the Issuer absorbing losses in the course of any resolution of the Issuer or otherwise affecting the rights and effective remedies of Noteholders.

The determination that all or part of the nominal amount of the Notes will be subject to the Bail-In Tool or the Write-Down and Conversion Power may be inherently unpredictable and may depend on a number of factors which may be outside of the Issuer's control. Accordingly, trading behavior in respect of Notes which are subject to the Bail-In Tool or the Write-Down and Conversion Power is not necessarily expected to follow trading behavior associated with other types of securities. Any indication, likelihood or perceived likelihood that the Notes will become subject to the Bail-In Tool or the Write-Down and Conversion Power could have an adverse effect on the market price of the relevant Notes. Potential Investors should consider the risk that a Noteholder may lose all of its investment in such Notes, including the principal amount plus any accrued but unpaid interest, in the event that the Bail-In Tool or the Write-Down and Conversion Power is applied. In addition, even in circumstances where a claim for compensation is established under the 'no creditor worse off' safeguard in accordance with a valuation performed after the resolution action had been taken, it is unlikely that such compensation would be equivalent to the full losses incurred by the Noteholders in the resolution and there can be no assurance that Noteholders would recover such compensation promptly.

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

Furthermore, the BRRD provides preferential ranking on insolvency for certain deposits that are eligible for protection by deposit guarantee schemes (including the uninsured element of such deposits and, in certain circumstances, deposits made in non-EEA branches of EEA credit institutions).

For banks established in a Member State participating in the Single Supervisory Mechanism, such as the Issuer, the BRRD is (partly) implemented by the directly binding regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (the "**SRM**"). The SRM establishes a single European resolution board (the "**Resolution Board**") having resolution powers over the institutions that are subject to the SRM, thus replacing or exceeding the powers of the national resolution authorities within the Eurozone. Currently, the DNB, in its capacity as national resolution authority ("**NRA**"), shall perform resolution tasks and responsibilities under the SRM with respect to the Issuer. However, the Resolution Board may take over the role of the NRA with respect to the Issuer in certain circumstances set out in the SRM. In such a case, the Resolution Board has the authority to exercise the specific resolution powers pursuant to the SRM which are similar to those of the NRA under the BRRD and SRM.

There remains uncertainty regarding the ultimate nature and scope of these powers and how they would affect the Issuer and the Noteholders. Accordingly, it is not yet possible to assess the full impact of the BRRD and SRM. The Notes may however be part of the claims and debts in respect of which the resolution authorities could use the Bail-In Tool or the Write-Down and Conversion Power to write-down or convert the principal of the Notes, There can be no assurances that the taking of any actions currently contemplated would not adversely affect the price or value of an investment in the Notes and or the ability of the Issuer to satisfy its obligations under such Notes. The Issuer cannot predict the precise effect of the Bail-In Tool or the Write-Down and Conversion Power and its use in relation to the Notes. Prospective investors in the Notes should consult their own advisors as to the consequences of the BRRD and/or SRM.

The BRRD and/or SRM could negatively affect the position of certain categories of the Noteholders and the credit rating attached to certain categories of debt instruments then outstanding, in particular if and when any of the above proceedings would be commenced against the Issuer. The rights and effective remedies of the Noteholders, as well as their market value, may be affected by any such proceedings.

Since the Notes may be traded in amounts in excess of a Specified Denomination, that is not an integral multiple, you may need to purchase additional Notes in order to be able to transfer

your holdings or to receive definitive Notes.

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time (i) may not be able to transfer such Notes and (ii) may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and in each case would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Modification and waiver

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interest 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. Such Noteholders may need to accept changes which affect the rights of Noteholders against the Issuer or the value of the Notes.

Because the Notes may be held in global form and, therefore, by or on behalf of Euroclear and Clearstream, Luxembourg you will need to rely on the procedures of these organizations for transfers, payments and communications with the Issuer. Further, your ability in respect of Notes in global form to pledge your holdings will be limited to the extent that the party demanding the pledge requires securities in physical form.

Notes issued under the Programme may be represented by one or more Global Notes. Where such Global Notes will be held by or on behalf of Euroclear and Clearstream, Luxembourg, such Global Notes will be deposited with a common depositary or a common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by one or more Global Notes the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the common depositary or common safekeeper (as applicable) for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

Potential Conflict of Interest; Information and Past Performance

Certain of the Dealers and their affiliates (which includes for the purpose of this risk factor, parent companies) have engaged, and may in the future engage, in investment banking and/or commercial banking transactions and may perform services for the Issuer and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. The relevant Final Terms will specify any other interests of natural and legal persons involved in each issue/offer of Notes under the Programme.

The Issuer, the Dealers and their respective affiliates may engage in trading activities (including hedging activities) related to interests underlying any Notes and other instruments or derivative products based on or related to interests underlying any Notes for their proprietary accounts or for other accounts under their management. The Issuer and its affiliates may also issue other derivative instruments in respect of interests underlying any Notes. Such activities could present certain conflicts of interest, could influence the prices of such shares or other securities and Noteholders should be aware that such activities could also adversely affect the value of such Notes.

Credit ratings may not reflect all risks and may not properly reflect the value of the Notes and credit rating downgrades or withdrawals may reduce the market value of the Notes.

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

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). Certain information with respect to the credit rating agencies and ratings will be disclosed in the Final Terms.

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

Payments on certain Notes may be subject to U.S. withholding tax under FATCA

The United States has enacted rules, commonly referred to as "**FATCA**", that generally impose a new reporting and withholding regime with respect to certain U.S. source payments (including dividends and interest), gross proceeds from the disposition of property that can produce U.S. source interest and dividends and certain payments made by entities that are classified as financial institutions under FATCA. The United States has entered into an intergovernmental agreement regarding the implementation of FATCA with the Netherlands (the "**IGA**"). Under the IGA, as currently drafted, the Issuer does not expect payments made on or with respect to the Notes to be subject to withholding under FATCA. However, significant aspects of when and how FATCA will apply remain unclear, and no assurance can be given that withholding under FATCA will not become relevant with respect to payments made on or with respect to the Notes in the future. Prospective investors should consult their own tax advisors regarding the potential impact of FATCA.

Risks Relating To The Issuer

Throughout this section "LeasePlan", "LeasePlan Group" or "Group" is used as reference to the group of companies which is headed by LPCorp as common shareholder, and which has common business characteristics.

LeasePlan's activities are subject to the normal risks associated with every business such as, and not limited to, credit risks, operational risks, compliance risks, insurance risks and treasury risks. However, additionally and particularly they are related to movements in the residual values of cars.

A decrease in the residual values (or the sales proceeds) of the Issuer's leased vehicles could have a material adverse effect on the Issuer's business, financial condition and results of operations.

The risk of a decrease in the Issuer's sales proceeds from previously leased vehicles and of such sales proceeds being less than the estimated residual values of such vehicles is mainly affected by external factors, including, among others and not limited to, changes in economic conditions, consumer confidence, consumer preferences, exchange rates, government policies, new vehicle pricing, new vehicle sales, new vehicle brand images or marketing programs, the actual or perceived quality, safety or reliability of vehicles, the mix of used vehicle supply, the levels of current used vehicle values and fuel prices. For example, the onset of the global economic crisis in 2008 caused a significant decrease in the Issuer's sales proceeds from previously leased vehicles in 2008 and 2009. After 2009, although substantially improved, such sales proceeds remained below the Issuer's residual value estimates made at lease inception. At the end of 2011, the Issuer's sales proceeds from previously leased vehicles declined further primarily due to deteriorating economic conditions and reduced consumer confidence. Secondary market prices for vehicles remained low through 2012 but were, on average, more stable, and prices increased in 2013, 2014 and 2015 during which sales prices were in excess of estimates at lease inception.

The Issuer is exposed to potential loss from the resale values of its vehicles declining below the estimates it makes at lease inception and has a number of off-balance sheet residual value commitments. However, the Issuer does not retain residual value risk for all of its funded vehicles. The Issuer does not run residual value risk on vehicles that are classified as finance leases in the annual accounts. A decrease in the estimated residual values of its leased vehicles could increase its prospective depreciation costs while the vehicle is leased and reduce its sales proceeds upon the disposal of the vehicle at or after lease termination. The Issuer charges customers for depreciation of the leased vehicles during the life of the lease on a straight line basis based on its estimates at lease inception of the resale value of the leased vehicle at lease termination. However, the Issuer reassesses its depreciation costs on leased vehicles throughout the life of the lease to reflect any changes to the estimated residual values of the leased vehicles. As a result, reductions in today's sales proceeds not only cause losses for vehicles terminated now, but also increase the risk of having to take additional (prospective) depreciation charges into the current accounting period. Further, even if the Issuer is able to successfully pass the increased depreciation costs on to customers in a timely manner, these additional costs could make its services less attractive to customers, which could have a material adverse effect on the Issuer's business, financial condition and results of operations. In addition, there can be no assurance that the adjustments the Issuer makes to the Issuer's depreciation costs during the life of the lease contract reflect the full decline of the residual value of the leased vehicle based on the actual sales proceeds from such vehicle.

Since January 2014, the strong recovery of the second-hand car market has led the Issuer to increase residual values it set at contract inception, which could increase its exposure to the risks described above. To the extent that market prices of second-hand vehicles fail to develop as anticipated over the life of these contracts, the Issuer's results of vehicles sold could be negatively affected and the Issuer could suffer losses from increased prospective depreciation expenses or on the resale of these vehicles at lease termination.

The Issuer's ability to efficiently process and effectively market off-lease vehicles affects the disposal costs and proceeds realized from vehicle sales. Any of the factors that reduce the actual sales proceeds of leased vehicles could force the Issuer to reduce concurrently the estimated residual values of the leased vehicles in its fleet and cause a loss from increased prospective depreciation expenses or cause a loss on the sale of the vehicle on lease termination, which could have a material adverse effect on its business, financial condition and results of operations.

The Issuer's business requires substantial funding and liquidity, and disruption in the Issuer's funding sources or access to the capital markets could have a material adverse effect on its business, liquidity, cash flows, financial condition and results of operations.

The Issuer's continued operations and expansion require access to significant amounts of funding. The Issuer wants to increase its vehicle fleet under its current growth strategy to strengthen its presence in current markets and expand geographically. The Issuer intends to meet a substantial portion of its funding needs with debt. Historically, the Issuer has satisfied its funding requirements principally through the issuance of long and short-term debt securities, bank loans, operating cash flows and the securitization of lease receivables including residual values and it is therefore dependent on continued access to these funding sources. The Issuer has also been able to rely on retail deposits to meet part of its funding needs since 2010 and has thereby further diversified its funding sources. However, this diversification may be limited in the future by potential market or regulatory changes in the banking sector in The Netherlands, in particular developments with respect to capital and liquidity requirements (including net stable funding ratio ("**NSFR**")) and the loss absorbing capacity of liabilities in the context of resolvability (including requirements to maintain a sufficient minimum amount of own funds and eligible liabilities ("**MREL**")). Due to the Issuer's ongoing funding needs, it is exposed to liquidity risk in the event of prolonged closure of debt or credit markets or limited credit availability. Liquidity risk is the risk that the Issuer will have insufficient liquidity to finance new vehicle purchases for lease contracts and meet its obligations as they fall due. If the Issuer cannot access existing or new sources of funds, insufficient liquidity would have a material adverse effect on its business, liquidity, cash flows, financial condition and results of operations.

In addition, the Issuer is significantly affected by the policies of national governments and EU institutions, such as the European Central Bank, which regulates the money and credit supply in the Eurozone. For example, during the global economic crisis the Issuer used securitizations of its lease receivables as collateral for loans from the European Central Bank and LeasePlan was able to access the 2008 Credit Guarantee Scheme of the State of The Netherlands for the issuance of medium term debt. These funding options may or may not be available in the event of any similarly adverse economic conditions in the future. Changes in such policies, including as to the types of collateral available for European Central Bank funding or special legislation by national governments, are

beyond the Issuer's control, may be difficult to predict and could adversely affect its liquidity, financial condition and results of operations.

There can be no assurance that the Issuer's current financing arrangements will provide it with sufficient liquidity under various market and economic scenarios. Retail deposits are subject to fluctuation due to certain factors, such as a loss of confidence, increasing competitive pressures or the encouraged or mandated repatriation of deposits, which could result in a significant outflow of deposits within a short period of time. Even if the Issuer's assets and available funding arrangements provide the Issuer with sufficient liquidity, its costs of funding could increase, including as a result of utilization of such funding arrangements. The Issuer has historically benefited from an investment grade credit rating and any negative change in its current rating could reduce its access to and increase the cost of future funding from its funding arrangements. Additionally, any changes to its credit rating or the credit ratings of its significant corporate customers, the lease receivables which it has used and may use to fund its securitization program, could affect its securitization program's rating and the costs of any new issuances. To the extent that the Issuer is unable to pass on any increased borrowing costs to customers, its financial condition, results of operations and potentially the Issuer's ability to raise funds, could be materially adversely affected.

The Issuer is exposed to the risk that its customers may default on leasing and/or fleet management contracts or that the credit quality of its customers may deteriorate.

Credit risk, is the risk that the Issuer's customers or contractual counterparties will be unable to fulfil financial obligations under the terms of a contract with the Issuer, when due. This includes the risk of a default on lease payments and other accounts receivable due to the Issuer.

The Issuer's credit risk is heavily dependent upon its client concentration, the geographic and industry segmentation of its credit exposures, the nature of its credit exposures, used vehicle prices and overall demand for new and used vehicles, and the quality of its portfolio of leased vehicles as well as economic factors that may influence the ability of customers to make scheduled payments, including business failures, corporate debt levels and debt service burdens and demand for the products and services of its customers. As a result of negative effects on some of these factors since the onset of the global economic crisis, the Issuer has experienced higher default rates with the Issuer's corporate and small and medium sized enterprises, especially in 2008 and 2009. In addition, many governments are experiencing budgetary constraints as a result of the global economic crisis.

While the Issuer generally has the ability to recover and resell the leased vehicle(s) following a customer default, the resale value of the recovered vehicle(s) may not be adequate to cover its loss as a result of a default. Although the Issuer estimates impairment charges in its audited consolidated annual financial statements for possible losses on its existing debtors based on its past experience and general economic conditions, there can be no assurance that its impairment charges will be sufficient to cover actual losses resulting from customer defaults, particularly if the rate of customer default increases significantly.

For the Issuer's corporate counterparties, the Issuer assesses and monitors the probability of default of individual counterparties using internal rating models that combine statistical and analytical methods with in-house judgment, which are benchmarked when possible by comparison with externally available data. Although its local credit acceptance policies, which are reviewed on a regular basis, take into account market conditions, an increase in credit risk could increase its provisions for credit losses. The Issuer has also implemented procedures to contact delinquent customers for payment, arrange for the repossession of vehicles under defaulted contracts and sell repossessed vehicles. However, there can be no assurance that its origination procedures, monitoring of credit risk, payment servicing activities, maintenance of customer account records or repossession policies are or will be sufficient to prevent a material adverse effect on its business, liquidity, financial condition and results of operations.

The Issuer is exposed to credit risk from its counterparties on financial instruments and reinsurance contracts.

The Issuer manages its interest rate risk, its currency risk and its balance sheet as a whole by entering into derivative transactions with financial institutions and through short-term placements of cash and current account balances with financial institutions. The Issuer also enters into reinsurance agreements with various reinsurers with respect to third-party liability and catastrophic events. Its ability to engage in derivatives transactions could be adversely affected by the actions and commercial soundness of financial institutions who are its hedge counterparties. The Issuer's derivative contracts, reinsurance agreements and deposit arrangements expose LeasePlan to credit risk in the event of a default by its counterparty. It is possible that the Issuer could suffer losses as a result of its counterparty exposures and such losses could have a material adverse effect on its financial condition

and results of operations

Changes in interest rates may have a material adverse effect on the Issuer's financial condition and results of operations.

The Issuer's activities principally relate to vehicle leasing and fleet management. The Issuer accepts and offers lease contracts to clients at both fixed and floating interest rates, for various periods and in various currencies. It is the Issuer's policy to seek to match the interest rate risk profile of its contract portfolio of leases with a corresponding interest rate funding profile to seek to minimize its interest rate risks at the Group level. This matching principle is monitored through interest rate gap reports. The Issuer has interest bearing assets (mainly lease contracts) which are funded through interest bearing liabilities (mainly debt securities issued, funds entrusted and borrowings from financial institutions) and non-interest bearing liabilities (net working capital and equity). However, any mismatch between these interest rates could expose the Issuer to losses or reduced earnings or income.

Changes in foreign currency exchange rates may adversely affect the Issuer's financial condition and results of operations.

The Issuer's functional currency and its reporting currency for its consolidated financial statements is the euro. However, because of the Issuer's presence in 32 countries most of which are outside the Eurozone, the Issuer has substantial assets, liabilities, revenues and costs denominated in currencies other than the euro. The global nature of the Issuer's operations therefore exposes it to exchange rate volatility as a result of potential mismatches between the currencies in which assets and liabilities are denominated and as a result of the translation effect on the Issuer's reported earnings, cash flow and financial condition.

The Issuer is also subject to translation risk, which is the risk associated with consolidating the financial statements of subsidiaries that conduct business in currencies other than the euro or have a functional currency other than the euro.

The Issuer is subject to a bank supervisory regime in The Netherlands and other regulatory regimes and regulatory actions in the jurisdictions in which it operates, including The Netherlands, and changes in these regulatory regimes could adversely affect its business, financial condition, results of operations and liquidity.

As a bank, the Issuer is subject to banking laws, regulations, corporate governance requirements, administrative actions and policies in each location in which it operates. Since 2009, as many emergency government programs slowed or wound down, global regulatory and legislative focus has generally moved to a next phase of broader reform and a restructuring of financial regulation. Legislators and supervisory authorities, predominantly in Europe and in the United States but also elsewhere, are currently introducing and implementing a wide range of proposals that could result in major changes to the way the Issuer's banking operations are regulated and could have adverse consequences for its business model, financing position, results of operations, representations and prospects. These changes could materially impact the profitability of the Issuer's businesses, the value of its assets or the collateral available for its loans, require changes to business practices or force the Issuer to discontinue businesses and expose the Issuer to additional costs, taxes, liabilities, enforcement actions and reputational risk and are likely to have a material impact on the Issuer.

CRD IV / CRR

The Issuer is required by regulators in The Netherlands and in other jurisdictions in which it undertakes regulated activities, to maintain adequate capital resources. The maintenance of adequate capital is also necessary for the Issuer's financial flexibility in the face of continuing turbulence and uncertainty in the global economy. New regulatory capital requirements proposed by the Basel Committee on Banking Supervision (the "**Basel Committee**") as set out in its paper released on 16 December 2010 (revised in June 2011) and press release of 13 January 2011 (the "**Basel III Final Recommendations**") which are being implemented in the European Union through the Capital Requirements Directive (2013/36/EU) known as "**CRD IV**" and Capital Requirements Regulation ((EU) No 575/2013) known as "**CRR**". CRD IV and CRR increased the quality and quantity of capital to be held against risk weighted assets, increased capital to be held against derivative positions, introduced a combined buffer requirement consisting of a capital conservation buffer and, as applicable, a counter-cyclical buffer, systemic risk buffer and global or other systemically important institutions buffer, as well as a new leverage ratio and liquidity framework, including a liquidity coverage ratio ("**LCR**") and NSFR. These requirements could also affect the scope, coverage, or calculation of capital, all of which could require the Issuer to reduce business levels or restrict certain activities or to raise additional capital, including in ways that may adversely impact the Issuer's creditors.

CRD IV was implemented in Dutch law as per 1 August 2014 and replaced its predecessor capital

requirements directives (CRD I, II and III). A number of the requirements introduced under CRD IV will be further supplemented through the Regulatory and Implementing Technical Standards produced by the European Banking Authority many of which are not yet finalised. CRD IV will result in an increase of the minimum common equity (or equivalent) requirement from 2 per cent. (before the application of regulatory adjustments which will be gradually phased in from 1 January 2014 until 1 January 2017) to 4.5 per cent. (after the application of stricter regulatory adjustments). The total Tier 1 capital requirement will increase from 4 per cent. to 6 per cent. In addition, banks will be required to maintain, in the form of common equity (or equivalent), a capital conservation buffer of 2.5 per cent. to withstand future periods of stress, bringing the total common equity (or equivalent) requirements to 7 per cent. If there is excess credit growth in any given country resulting in a system-wide build up of risk, a countercyclical buffer within a range of 0 per cent. to 2.5 per cent. of common equity (or other fully loss absorbing capital) is to be applied as an extension of the conservation buffer. Furthermore, systemically important banks should have loss absorbing capacity beyond these standards.

At the end of 2014 and 2015, the Basel Committee published for public consultation revisions to the standardized approaches for credit, operational and market risk, and the introduction of capital floors based on standardized approaches. Of these proposals, the introduction of the standardized credit risk weighted asset ("**RWA**") floor would have the most significant impact on the Issuer. The proposals for the new standardized credit risk RWA calculation rules include (i) introduction of new risk drivers; (ii) introduction of higher risk weights; and (iii) a less mechanical reliance on external ratings. In addition, the revisions are likely to require that banks which apply advanced approaches to risk categories, apply the higher of (i) the RWA floor based on (new) standardized approaches and (ii) the RWA floor based on advanced approaches in the denominator of their ratios. Although timing for adoption, content and impact of these proposals remain subject to considerable uncertainty, the implementation of the standardized RWA floors would have a significant impact on the calculation of the Issuer's risk weighted assets. The new market risk framework, adopted by the Basel Committee in January 2016 may similarly have a significant impact on the calculation of the Issuer's risk weighted assets, although its exact implementation through European Union regulation and impact also remains subject to uncertainty.

As at 31 December 2015, the Issuer's LCR calculated under the Basel III standards as at that date would be above the prescribed minimum. The NSFR calculated under the Basel III standards as at that date (following the standard on the NSFR as published in October 2014) would be slightly above the prescribed minimum thresholds. Continued compliance with those ratio requirements may have an adverse effect on, among other things, the composition of the assets the Issuer holds for liquidity purposes. Depending on the final Basel III standards, the application of the NSFR requirements might lead to a fundamental change in the Issuer's funding strategy and could have a significant negative effect on its risk profile. These and other future changes to capital adequacy and liquidity requirements in the jurisdictions in which the Issuer operates may require it to raise additional Tier 1, Core Tier 1 and/or Tier 2 capital. If the Issuer is unable to raise the requisite Tier 1 and Tier 2 capital, it may be required to reduce the amount of its RWAs and engage in the disposition of businesses or assets, which may not occur on a timely basis or achieve prices which would otherwise be attractive to the Issuer. Any change that limits the Issuer's ability to manage effectively its balance sheet and capital resources going forward (including, for example, reductions in profits and retained earnings as a result of write-downs or otherwise, increases in risk-weighted assets, delays in the disposal of certain assets, a growth in unfunded pension exposures or otherwise) or to access funding sources, may have a material adverse effect on its business, financial condition, regulatory capital position and liquidity.

BRRD / SRM

The BRRD sets out a common European recovery and resolution framework which is composed of three pillars: preparation (by requiring banks to draw up recovery plans and resolution authorities to draw up resolution plans), early intervention powers and resolution powers. The stated aim of the BRRD is to provide relevant authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimize taxpayers' exposure to losses. the BRRD is complemented by SRM. The primary geographic scope of the SRM is the euro area and SRM applies to the Issuer as a primary recovery and resolution code. (See also the risk factor entitled "New banking legislation dealing with ailing banks give regulators resolution powers (including powers to write down and convert debt)").

In accordance with the BRRD, the Issuer is required to draw up and maintain a recovery plan. This plan must provide for a wide range of measures that could be taken by the Issuer for restoring its financial position in case it significantly deteriorated. The Issuer must submit the plan to the competent resolution authority for review and update the plan annually or after changes in the legal or organisational structure, business or financial situation that could have a material effect on the

recovery plan. Keeping the recovery plan up to date will require monetary and management resources.

The resolution authorities responsible for a resolution in relation to the Issuer will draw up the Issuer's resolution plan providing for resolution actions it may take if the Issuer would fail or would be likely to fail. In drawing up the Issuer's resolution plan, the resolution authorities will identify any material impediments to the Issuer's resolvability. Where necessary, the resolution authorities may require the Issuer to remove such impediments. This may lead to mandatory legal restructuring of the Issuer, which could lead to high transaction costs, or could cause the Issuer's business operations or its funding mix to become less optimally composed or more expensive. The resolution authorities shall also determine, after consultation with competent authorities, a minimum requirement for MREL subject to write-down and conversion powers which the Issuer will be required to meet at all times. This may result in higher capital and funding costs for the Issuer, and as a result adversely affect the Issuer's profit.

If the Issuer does not comply with or, due to a rapidly deteriorating financial position, would be likely not to comply with capital or liquidity requirements in the near future, the supervisory authorities will have the power to impose early intervention measures. A rapidly deteriorating financial position could, for example, occur in the case of a deterioration of the Issuer's liquidity situation, increasing level of leverage and non-performing loans. Intervention measures include the power to require changes to the legal or operational structure of the Issuer, the power to make changes to the Issuer's business strategy, and the power to require the Issuer's managing board to convene a general meeting of shareholders, set the agenda and require certain decisions to be considered for adoption by the general meeting.

If the Issuer or the group were to reach a point of non-viability, the resolution authority could take pre-resolution measures. These measures include the write down and cancelation of shares, and the conversion of capital instruments into shares (including the Write-Down and Conversion Power). A write down or conversion of capital instruments into shares could adversely affect the rights and effective remedies of Noteholders and the market value of their Notes could be negatively affected.

Furthermore the BRRD and the SRM provide resolution authorities with broader powers to implement resolution measures with respect to banks which meet the conditions for resolution, which may include (without limitation) the sale of the bank's business, the separation of assets, the Bail-In Tool, the replacement or substitution of the bank as obligor in respect of debt instruments, modifications to the terms of debt instruments and discontinuing the listing and admission to trading of financial instruments. The Bail-In Tool comprises a more general power for resolution authorities to write down the claims of unsecured creditors of a failing bank and to convert unsecured debt claims into equity. These powers and tools are designed to be used prior to insolvency of the Issuer and Noteholders may not be able to anticipate the exercise of any resolution power by the resolution authority. These powers and tools are intended to be used prior to the point at which any insolvency proceedings with respect to the Issuer could have been initiated. Although the applicable legislation provides for conditions to the exercise of any resolution powers and EBA guidelines set out the objective elements for determining whether an institution is failing or likely to fail, it is uncertain how the resolution authority would assess such conditions in any particular pre-insolvency scenario affecting the Issuer and in deciding whether to exercise a resolution power. The resolution authority is also not required to provide any advance notice to the Noteholders of its decision to exercise any resolution power. Therefore, the Noteholders may not be able to anticipate a potential exercise of any such powers nor the potential effect of any exercise of such powers on the Issuer or the Noteholders' rights under the Notes.

Subject to certain exceptions, as soon as any of these proposed proceedings have been initiated by the relevant resolution authority, as applicable, the relevant counterparties of such bank would not be entitled to invoke events of default or set off their claims against the bank for this purpose. The application of resolution measures may lead to additional measures. For example, in connection with the nationalisation of SNS Reaal N.V. pursuant to the Dutch Intervention Act, a one-off resolution levy for all banks was proposed by the Dutch Minister of Finance.

When applying the resolution tools and exercising the resolution powers, including the preparation and implementation thereof, the resolution authorities are not subject to (i) requirements to obtain approval or consent from any person either public or private, including but not limited to the holders of shares or debt instruments, or from any other creditors, and (ii) procedural requirements to notify any person including any requirement to publish any notice or prospectus or to file or register any document with any other authority, that would otherwise apply by virtue of applicable law, contract, or otherwise. In particular, the resolution authorities can exercise their powers irrespective of any restriction on, or requirement for consent for, transfer of the financial instruments, rights, assets or liabilities in question

that might otherwise apply.

Resolution Fund

The SRM provides for a resolution fund that will be financed by banking groups included in the SRM. The Issuer will only be eligible for contribution by the single resolution fund after a resolution action is taken if shareholders, the holders of relevant capital instruments and other eligible liabilities have made a contribution (by means of a write-down, conversion or otherwise) to loss absorption and recapitalization equal to an amount not less than 8% of total liabilities and own funds and measured at the time of the resolution action. This means that the Issuer must retain sufficient own funds and liabilities eligible for write down and conversion in order to have access to the single resolution fund in case of a resolution. This may have an impact on the Issuer's capital and funding costs.

FSB Standard for Total Loss-Absorbing Capacity

In November 2015, the Financial Stability Board (the "**FSB**") published the final total loss-absorbing capacity ("**TLAC**") standard intended to enhance the loss-absorbing capacity of global systemically important banks ("**G-SIBs**") in resolution. The TLAC standard seeks to ensure that G-SIBs will have sufficient loss absorbing capacity available in a resolution of such an entity, in order to minimise any impact on financial stability, ensure the continuity of critical functions and avoid exposing taxpayers to loss. The TLAC standard also includes a specific termsheet for TLAC which attempts to define an internationally agreed standard.

The TLAC standard requires all G-SIBs to maintain a minimum Pillar 1 level of TLAC eligible capital within the range of 16-18% of risk exposure amount (in addition to minimum regulatory capital requirements), and at a minimum of twice the relevant Basel III leverage requirement, with effect from 1 January 2019. The TLAC standard states that G-SIBs will be required to pre-position such loss-absorbing capacity amongst "material sub-groups" on an intra-group basis. The FSB has also proposed that the minimum TLAC requirement should be satisfied before any surplus common equity is available to satisfy CRD IV buffers and the TLAC standard provides the possibility for local regulators to impose a Pillar II TLAC requirement over and above the Pillar 1 minimum. Based on the most recently updated FSB list of G-SIBs published in November 2015, LeasePlan does not currently constitute a G-SIB. However, the EU or Dutch legislature could impose similar requirements on non-G-SIBs.

According to the TLAC standard, TLAC may comprise Tier 1 and Tier 2 capital (for the purposes of CRD IV), along with other TLAC-eligible liabilities which can be effectively written down or converted into equity during the resolution of the G-SIB. All TLAC is required to be subordinated to "excluded liabilities", which includes insured deposits and any other liabilities that cannot be effectively written down or converted to equity by the relevant resolution authority.

RTS on the minimum requirement for own funds and eligible liabilities under the BRRD

On 23 May 2016, the European Commission adopted the regulatory technical standard ("**RTS**") on the criteria for determining the minimum requirement for own funds and eligible liabilities ("**MREL**") under the BRRD. In order to ensure the effectiveness of bail-in and other resolution tools introduced by the BRRD, the BRRD requires that all institutions must meet an individual MREL requirement, calculated as a percentage of total liabilities and own funds and set by the relevant resolution authorities, with effect from 1 January 2016 (or if earlier, the date of national implementation of the BRRD). The RTS provide for resolution authorities to allow institutions a transitional period to reach the applicable MREL requirements.

Unlike the FSB's standard, the RTS do not set a minimum EU-wide level of MREL, and the MREL requirement applies to all credit institutions, not just to those identified as being of a particular size or of systemic importance. Each resolution authority is required to make a separate determination of the appropriate MREL requirement for each resolution group within its jurisdiction, depending on the resolvability, risk profile, systemic importance and other characteristics of each institution.

The MREL requirement for each institution will be comprised of a number of key elements, including the required loss absorbing capacity of the institution (which will, as a minimum, equate to the institution's capital requirements under CRD IV, including applicable buffers), and the level of recapitalization needed to implement the preferred resolution strategy identified during the resolution planning process. Other factors to be taken into consideration by resolution authorities when setting the MREL requirement include: the extent to which an institution has liabilities in issue which are excluded from contributing to loss absorption or recapitalisation; the risk profile of the institution; the systemic importance of the institution; and the contribution to any resolution that may be made by deposit guarantee schemes and resolution financing arrangements.

Items eligible for inclusion in MREL will include an institution's own funds (within the meaning of CRD IV), along with "**Eligible Liabilities**", meaning liabilities which, inter alia, are issued and fully paid up, have a maturity of at least one year (or do not give the investor a right to repayment within one year), and do not arise from derivatives.

Whilst there are a number of similarities between MREL requirements and the FSB's proposals or TLAC, there are also certain differences, including the timescales for implementation. The RTS suggests that the MREL requirements can nevertheless be implemented for G-SIBs in a manner that is "consistent with" the international framework, and contemplates a possible increase in the MREL requirement over time in order to provide for an adequate transition to compliance with the TLAC requirements (which are currently projected to apply from January 2019). It remains to be seen whether there will be any further convergence in the detailed requirements of the two regimes.

Risks relating to the FSB and EBA proposals

Both the FSB standard and the RTS may be subject to change and further implementation. The European Commission plans to bring forward a legislative proposal in 2016 to implement TLAC and clarify the interaction with MREL. As a result, it is not possible to give any assurances as to the ultimate scope and nature of any resulting obligations, or the impact that they will have on the Issuer once implemented. If the FSB standard and the RTS are implemented in their current form however, it is possible that the Issuer may have to issue a significant amount of additional TLAC and MREL eligible liabilities in order to meet the new requirements within the required timeframes. If the Issuer were to experience difficulties in raising TLAC or MREL eligible liabilities, it may have to reduce its lending or investments in other operations which would have a material adverse effect on the Issuer's business, financial position and results of operations.

State Aid

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

The BRRD, SRM and the Revised State Aid Guidelines may increase the Issuer’s cost of funding and thereby have an adverse impact on the Issuer’s funding ability, financial position and results of operations. In case of a capital shortfall, the Issuer would first be required to carry out all possible capital raising measures by private means, including the conversion of junior debt into equity, before one is eligible for any kind of restructuring State aid.

The Issuer faces risks related to its motor insurance business and local risk retention schemes.

The Issuer is exposed to claims for third-party liability (which includes personal injury, death and property damage), motor material damage, passenger indemnity and legal assistance. These claims are retained by the Issuer's wholly owned specialist motor insurance company, Euro Insurances Ltd. ("**Euro Insurances**"), or, for motor material damages, locally by Group companies under local risk retention schemes. Euro Insurances is active in 23 countries and it provides insurance coverage Group companies and their customers in most of these markets. Euro Insurances is based in Dublin, Ireland and is regulated by the Central Bank of Ireland. Euro Insurances provides insurance to customers for third-party liability, passenger indemnity and legal assistance risks, among others, in relation to vehicle leasing and fleet management. However, the Group is still exposed to these risks as Euro Insurances is a consolidated subsidiary of the Group. The Issuer purchases reinsurance cover on an excess loss basis for two principal risks, motor third-party liability and catastrophic events, to seek to minimize the financial impact of a single large accident or event. This reinsurance is placed with external reinsurance providers.

The Issuer is exposed to operational risks in connection with its activities, including information technology, information technology security and data protection risks.

After leasing a vehicle to a customer the Issuer services the lease receivables. Any disruption of its servicing activity, due to inability to access or accurately maintain the Issuer’s customer account records or otherwise, could have a material adverse effect on the Issuer’s ability to collect on those receivables and/or satisfy its customers.

The Issuer relies on internal and external information and technological systems to manage its operations and is exposed to risk of loss resulting from breaches of security, system or control failures, inadequate or failed processes, human error, business interruptions and external events. Any of these events could have a material adverse effect on its ability to conduct its business operations, increase its risk of loss resulting from disruptions of normal operating procedures, cause the Issuer to incur considerable information retrieval and verification costs, and potentially result in financial losses or other damage to the Issuer, including damage to its reputation.

The Issuer could be adversely affected by reputational risk.

Various issues may give rise to reputational risk and cause harm to the Issuer. These issues include legal and regulatory requirements, antitrust and competition law issues, ethical issues, money laundering and anti-bribery laws, data protection laws, information security policies, problems with vehicles the Issuer leases or services provided by the Issuer or by third parties on its behalf, and vehicle recalls. Failure to address these issues appropriately could also give rise to additional legal risk, which could adversely affect existing litigation claims against LeasePlan and the amount of damages asserted against the Issuer or subject it to additional litigation claims or regulatory sanctions. In addition, clients are entitled to withdraw their flexible savings deposits and any material adverse effect on the Issuer's reputation could cause withdrawals to accelerate over a short period of time.

The Issuer is subject to risks arising from legal disputes and may become the subject of governmental or regulatory investigations or proceedings.

In connection with its general business activities, the Issuer is currently the subject of legal disputes, government investigations and actual and potential claims in a number of the countries in which it operates, and may continue to be so in the future. In connection with these matters, the entities concerned may be required to pay fines or penalties, take certain actions or refrain from taking other actions. Complaints brought by suppliers, customers or other third parties (such as legal and regulatory authorities, contractors, competitors and current and/or former employees) may result in significant costs, risks or damages. It is also possible that there may be investigations by governmental or regulatory authorities into matters of which the Issuer is currently not aware, or which have already arisen or will arise in the future including, among others, possible financial regulatory, data protection, consumer protection, money-laundering, anti-bribery, anti-trust and competition law or state aid issues.

In certain cases, the Issuer has purchased insurance coverage to protect against these risks or have made provisions in respect of specific matters. However, as a number of risks cannot be estimated or can be estimated only with difficulty, the Issuer cannot rule out that damages will nevertheless occur that are not covered by the insured amounts or amounts set aside as provisions. The Issuer has made provisions to cover legal, regulatory and administrative claims and proceedings, including those that arise in the ordinary course of business. However, adverse developments in connection with legal disputes or governmental or regulatory investigations or proceedings could have a material adverse effect on the Issuer's business, reputation, financial condition and results of operations.

The Issuer may have difficulty in executing its growth strategy.

An important element of LeasePlan's historical growth in both mature and developing vehicle fleet markets has been expanding its client base. The Issuer intends to grow its business through selective geographic expansion into new markets, an increased focus on its small fleet business and attracting international fleet customers that operate in multiple jurisdictions. However, any continuation or intensification of the global economic crisis or future recession could have a material adverse effect on the execution of LeasePlan's growth strategy. In addition, if LeasePlan is unable to expand into its selected geographic markets, if its current customers are not willing or able to expand their business with LeasePlan internationally or if LeasePlan experiences problems in the expansion of its International's business, this could have a material adverse effect on its business, financial condition and results of operations.

The international expansion of LeasePlan's business into new geographic areas or with new categories of customers may also place disproportionate demands on LeasePlan's management and on LeasePlan's operational and financial personnel and systems. If LeasePlan is unable to effectively and successfully execute its growth strategy as a result of this or any other reason, the Issuer's business, financial condition and results of operations could be materially adversely affected.

RISK MANAGEMENT

Below is a brief description of certain aspects of risk management. The below description does not purport to give a complete overview of all risk management measures taken by the Issuer. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any 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. Investing in the Notes involves certain risks. Prospective investors should consider, among other things, the following:

Throughout this section "LeasePlan" is used as reference to the group of companies which is headed by LPCorp as common shareholder, and which has common business characteristics.

Risk Management Approach

LeasePlan is a vehicle leasing and vehicle management company with specialized Dutch banking operations regulated by the DNB. Its risk profile differs from most other banks due to the nature of its business. The largest part of its portfolio consists of operational leasing of vehicles, in which the Issuer bears the residual value risk. Residual value risk is the exposure to potential loss at contract end due to the resale values of assets declining below estimates made at lease inception. This risk constitutes the main difference between LeasePlan's risk profile and most other banks' risk profiles. In this section LeasePlan Group or Group is defined as the Issuer and its consolidated subsidiaries.

Risk Management Framework

The Committee of Sponsoring Organisations of the Treadway Commission ("**COSO**") is a joint initiative of five private sector organisations to provide guidance on enterprise risk management, internal control and fraud deterrence for the development of risk frameworks. The COSO definition of Enterprise Risk Management ("**ERM**") is "a process affected by an entity's board of directors, management, and other personnel, applied in strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risk to be within the risk appetite, to provide reasonable assurance regarding the achievement of entity objectives". In other words, ERM is about managing risks whilst supporting the realisation of the companies' targets. The Issuer uses COSO and ERM principles as basis and reference model for the risk management frameworks.

The Issuer's Managing Board has implemented corporate risk policies for all LeasePlan entities pursuant to its risk management strategy. The policies describe the minimum activities, controls and tools that must be in place within all group companies. It is the responsibility of local management to ensure personnel are kept informed of strategy and policies relevant to them and to comply with these corporate policies.

Risk management responsibilities are delegated in the different risk control phases between the corporate risk management department, the corporate risk committees and local (risk) management. The Issuer's group audit department regularly audits corporate and local risk management processes.

Risk Management Strategy and Objective

Risk, being the chance of occurrence of an event that will have a negative impact on the objectives of the organisation, is inherent to the Issuer's business operations. The Issuer's risk strategy is to support the business in achieving the Issuer's profitable growth ambitions in fleet and vehicle management for mainly corporate and small fleet customers while adhering to the Issuer's risk appetite commitments.

A risk management framework aims at reducing the frequency and/or the consequences of risk events, and enabling management to evaluate and balance the risks and returns related to business operations. As a result, a high quality risk management framework is also considered to offer opportunities. The Issuer seeks to accurately assess the relevant inherent risks that LeasePlan considers part of the overall risk profile, at the inception of each lease and manage and control these risks thereafter to attempt to maintain a balance between risk and return.

Risk Appetite

The risk appetite, or the amount and type of risk a company is willing to accept in pursuit of its business objectives, is set at two levels. First, the overall risk appetite is defined in terms of a long-

term debt credit rating, supported by the financial return on risk adjusted capital (i.e. economic return) and the diversified share of funding levers. Secondly, risk appetite is set for the underlying key risks that the Issuer is facing by using key risk indicators customary to measure these exposures. At least once a year, the Managing Board is required to submit the risk appetite and risk tolerance to the Issuer's Supervisory Board for its approval.

The Issuer reviews and discusses potential corrective measures should any of the risk tolerance levels be exceeded. The Issuer has identified and implemented a set of key risk indicators in order to monitor its performance versus the risk appetite. The key risk indicators report, across all risk areas, is provided to the Supervisory Board on a quarterly basis where deviations and potential breaches of the set risk tolerance levels are disclosed and, if required, (mitigating) actions are discussed.

Risk Management Areas

LeasePlan's nine risk management areas are strategic risk, asset risk, credit risk, treasury risk (which includes interest rate risk, currency risk and liquidity risk), reputational risk, operational risk, motor insurance risk, legal and compliance risk and ICT risks. Of its nine risk management areas, management believes its primary risks are:

- Asset Risk—LeasePlan views asset risk as a combination of residual value risks and risks on repair and maintenance and tire replacement. It is exposed to its residual value risk. The risk related to vehicle repair, maintenance and tire replacement is LeasePlan's exposure to potential loss due to the actual costs of the services for repair and maintenance and tires (over the entire contractual period) exceeding the estimates made at lease inception. LeasePlan considers both elements under asset risk as inextricably linked and manage asset risk accordingly.

- Credit risk—Credit risk is the risk that a counterparty will be unable to fulfil its financial obligations to LeasePlan when due. LeasePlan is exposed to credit risk for vehicles leased to counterparties through both receivables due under the lease and the book value of vehicles. The credit risk of the book value of vehicles is partly mitigated by the sales proceeds of vehicles returned to the Issuer. In addition to the credit risk arising from the lease portfolio, there is also credit exposure originating from its banking and treasury activities and (re-) insurance activities.

- Liquidity risk—Liquidity risk is the risk that LeasePlan is not able to meet its obligations as they fall due. LeasePlan's liquidity risk (which is managed as a part of treasury risk) mainly relates to funding liquidity risk, which is the risk that it will not be able to meet both expected and unexpected current and future cash flows without affecting either daily operations or its financial condition.

LeasePlan's policies with respect to, measurements of, exposures to and mitigation of these three risk areas are disclosed in further detail in below. LeasePlan is also exposed to strategic risk, interest rate risk, currency risk, reputational risk, operational risk, motor insurance risk, legal and compliance risk and ICT risk, which are described in more detail in.

Asset Risk

Asset risk is defined internally as a combination of residual value risk and risk from vehicle repair, maintenance and tire replacement, whereby residual value risk is considered the more prominent risk. The risk related to vehicle repair, maintenance and tire replacement is its exposure to potential loss due to the actual costs of the services for vehicle repair, maintenance and tire replacement (over the entire contractual period) exceeding the estimates made at lease inception. LeasePlan considers both elements under asset risk as being inextricably linked and manage asset risk accordingly.

Asset Risk Management Policy

LeasePlan has a policy in place with respect to asset risk management, based on principles developed under its risk management framework. The policy describes, *inter alia*, the roles and responsibilities within its organization for asset risk management, the minimum standards for residual value risk mitigation and the mandatory frequency of asset risk measurement and reporting. The asset risk management policy is applicable to all Group companies belonging to LeasePlan Group in whole

or in part and focuses on all leases (funded or not funded) that may expose LeasePlan to residual value and/or repair, maintenance and tire risk. Furthermore, this policy describes a limit structure based on LeasePlan's defined residual value risk appetite, whereby the level of risk taking is determined for three echelons within the Issuer's Group (i.e. Group company, Regional and Group management). As a part of the asset risk management policy, all Group companies must establish a local asset risk management committee, chaired by either the Managing Director or the Finance Director and in which all relevant disciplines involved in the asset risk management process must be represented. This committee is required to convene at least once every quarter with the primary responsibility of overseeing the adequate management of asset risks on behalf of the local management team. This includes but is not limited to reporting on asset risk measurements and trends in risk mitigation, residual values and vehicle repair, maintenance and tire replacement results. The local asset risk management committees assess asset risk exposure by taking into account both internal influences and external influences and, based on their assessment, decide on the appropriate residual value and repair, maintenance and tire costs estimates and risk mitigating measures to be applied. The committees are responsible for informing the management team of such Group company on all relevant asset risk issues. The policy also establishes minimum standards with respect to residual value risk mitigating techniques that the Group companies are expected to have in place and the reporting that must be provided to the corporate centre.

Credit Risk

Credit risk is the risk that the Issuer's customers or contractual counterparties will be unable to fulfil financial obligations when due. The Issuer is exposed to credit risk for vehicles leased to counterparties through both receivables due under the lease and the book value of vehicles. The credit risk of the book value of vehicles is partly mitigated by the sales proceeds of these vehicles. In addition, LeasePlan is exposed to credit risk originating from its banking and treasury activities, which includes deposits placed with banks or other financial institutions and hedging instruments, such as derivatives and reinsurance activities. Finally, LeasePlan is exposed to credit risk as a result of insurance activities as well as to discounts to be received from vehicle manufacturers and other suppliers.

Credit risk policy

The Issuer's credit risk policy seeks to regulate the credit risk management limits for Group subsidiaries. While credit risk appetite is defined on a consolidated level, under the Issuer's credit risk policy, Group subsidiaries define their risk appetite and their risk tolerance levels for counterparty and concentration credit risk, which is then monitored at a Group level. Group subsidiaries have a local credit committee and a local credit risk management function with authority to accept exposures from counterparties up to a certain level of exposure, whereby the authority level of risk taking depends on the size of the local portfolio, the characteristics of the local portfolio and the proven track record of the members of the local credit committee and local credit risk management organization.

The Issuer distinguishes in its policies and portfolio between corporate clients, retail clients, governments, banks and others. In this respect, retail clients are defined as clients with a vehicle fleet with an investment value not exceeding €1 million with which there is no active commercial relationship.

Except for retail clients, which are assessed whenever a credit application is received, the credit risk of all LeasePlan's counterparties is assessed at least once a year. If the credit risk of an approved counterparty exceeds the local credit risk authorization level, then credit approvals for such counterparty are sent to the corporate head office for final decision. All Group companies use the same global credit risk management systems.

Each Group company is required to maintain a special attention list and a watch list for corporate customers, which are based on LeasePlan's internal rating grades and other available information. These lists are reviewed in regular meetings by the credit committees. Credit risk exposures on companies included in these lists are monitored on a regular basis by the respective risk management teams on both the local level and the Group level. With regard to retail clients, who in general pay by direct debit and depending on the credit quality are required to pay upfront deposits, strict payment monitoring is in place. In case of arrears, measures are taken to mitigate potential credit losses. A qualitative analysis of LeasePlan's total credit exposures, defaults and losses is reported on a quarterly basis to the credit risk committee.

For the credit risks inherent to its treasury operations LeasePlan has established specific policies, among others, defining counterparties with which transactions can be concluded and limits for counterparties. The limits for a single counterparty are divided into a number of sub-limits based on

the type of transaction such as deposits, financial instruments or other types of transactions. The limits and their usage are regularly reviewed by the credit risk committee. Furthermore, amounts outstanding are closely monitored seeking to ensure that deposited funds can be transferred as soon as possible in case of an increase in counterparty risk. LeasePlan also has put in place acceptance criteria for reinsurance of motor insurance risks.

Liquidity Risk

Liquidity risk is the risk that the Issuer is not able to meet its obligations as they fall due. Given the reliance on funding, limiting funding liquidity risk is a key element in the execution of the Issuer's strategy.

LeasePlan does not maintain trading and investment books. Furthermore LeasePlan's standing practice is not to commit to any undrawn leasing facilities which could impact its liquidity position significantly. Liquidity risks due to hedging activities resulting in margin calls for interest rate and foreign currency hedging are considered by management to be limited.

Liquidity Risk Policy

The Issuer's liquidity risk appetite and tolerance levels are based on the following key principles:

- Compliance with minimum regulatory liquidity requirements at all times.
- Maintaining access to liquidity buffers and developing a set of possible management actions to meet LeasePlan's financial obligations during a period of continuing stress for at least nine months.

LeasePlan's Managing Board sets the risk appetite, which is discussed and annually approved by the Supervisory Board. The risk appetite and limits are reviewed periodically and updated as a result of changes in market conditions and the impact on LeasePlan's liquidity and funding profile. The limits are differentiated between regulatory limits, liquidity mismatch limits, redemption limits, counterparty limits and settlement limits.

Liquidity risk is not perceived as a driver for LeasePlan's profit and hence its policy is aimed at matched funding and diversification of funding sources. LeasePlan manages liquidity risk by seeking to conclude funding that matches the estimated run-off profile of the leased assets. The matched funding principle is applied both at consolidated level and at subsidiary level taking into account specific mismatch tolerance levels.

The management of the Group companies is responsible for adhering to the matched funding and interest rate policy and attracting funding at LeasePlan's central treasury, for which a fund transfer price is set, or directly via external banks. The fund transfer price for funds obtained at LeasePlan's central treasury is based on a full cost price calculation adjusted monthly and approved by the Managing Board.

A key instrument in LeasePlan's liquidity risk management is the funding planning maintained at Group level, which is a recurring item on the Funding and Treasury Risk Committee agenda. The funding planning forecasts issuances and redemptions for each funding source, resulting in a multiyear projection of the liquidity position. Apart from the actual forecast, a stress-tested forecast is also calculated based on stress assumptions.

The stress testing program for 2014 includes stress scenarios aligned with integrated capital stress testing and is subject to annual review and development of documentation of the stress testing assumptions and tools in use. LeasePlan maintains a number of stress scenarios addressing idiosyncratic and market wide risk drivers in both specific and combined scenarios. On a monthly basis a stressed funding planning is sent to the Funding and Treasury Risk Committee ("**FTRC**"), thereby using identical parameters as the most severe scenario of the full quarterly stress tests conducted. Stress testing results are used both for contingency and going-concern funding planning and risk activities, for instance to set the target level for the liquidity buffer to meet a period of severe stress.

Both the compliance of LeasePlan as a group and of all Group companies (including its central treasury) is monitored on, at least, a monthly basis by the Group's Treasury Risk Management ("**TRM**") department. Positions of the central treasury are monitored daily by TRM. The members of

the FTRC are informed of the liquidity risk positions on at least a monthly basis. TRM is part of Corporate Risk Management. TRM has the responsibility to monitor liquidity risk limits and to report and investigate limit breaches, inadequacy of processes and unexpected events.

Other Risk Management Areas

Strategic risk

LeasePlan defines strategic risk as the current or prospective risk to earnings and capital arising from changes in the business environment and from adverse business decisions, improper implementation of decisions or lack of responsiveness to changes in the business environment. Strategic risk is reviewed along two dimensions—strategy definition and strategy execution. In line with LeasePlan's strategy it maintains a mono-line business model with diversified income streams. Within its mono-line business model LeasePlan has the ambition to moderately grow its core business in the coming years while also increasing its efforts to expand its position in the SME sized fleet segment and execute further geographical expansion and enhance its profitability. LeasePlan's Corporate Strategy and Development department supports the Managing Board in determining LeasePlan's strategic direction. LeasePlan's structured strategy planning cycle facilitates a dialogue on the strategy of the Group between relevant management layers. Strategy sessions are organized in a structured way to identify challenges and opportunities, strategic options and to define ambitions of the company. Annually, LeasePlan's short and long term vision, strategy and objectives are subject to approval of its Supervisory Board.

Interest rate risk

The Group accepts and offers lease contracts to clients at both fixed and floating interest rates, for various durations and in various currencies. Interest rate risk within LeasePlan is managed separately for:

I. Group companies and joint ventures, carrying interest bearing assets (mainly lease contracts),and funding on their balance sheet, which mainly is intercompany funding supplied by the Group's central treasury,
II. The central treasury, concluding external funding, external derivatives and granting intercompany loans to Group companies.

The Interest Rate Risk Management Policy is to match the interest rate profile of the lease contract portfolio with a corresponding interest rate funding profile to minimise the interest rate risk, as measured by interest rate gap reports per Group company. Group companies carry interest bearing assets on their balance sheet funded by interest bearing liabilities (loans and other indebtedness). Where interest bearing sensitive liabilities fall short to cover interest bearing assets, non-interest sensitive working capital and subsidiary's equity are allowed to cover interest bearing assets, as part of the Issuer's matched funding policy. Since working capital and equity are in itself not interest rate sensitive, a gap remains if these items would be measured at fair value. Since lease contracts and most funding instruments are carried at costs on the Group's balance sheet, no gains or losses in the Group's income statement or in shareholder's equity are accounted for due to interest rate changes for these specific balance sheet items.

The Group's central Treasury provides loans to Group companies and attracts funds from the market in conjunction with interest rate derivatives entered into for hedging purposes. Derivative financial instruments are concluded by the Group's central Treasury as an end user only. Due to the accounting treatment of derivative financial instruments, the Group is exposed to volatility in the Group's income statement due to interest rate fluctuations. To enable the Group's central Treasury to achieve economies of scale, smaller inter-company assets are grouped into larger size external funding transactions. Some timing differences are unavoidable in this process and interest rate risk exposures are inherent to the central treasury process. To manage this risk, limits are set for the level of mismatch of interest rate re-pricing that may be undertaken by currency and time period. Thereby, derivative financial instruments are entered into to mitigate or reduce interest rate exposure; they are not used for trading purposes.

Stress testing takes place regularly on central treasury exposures during the year by analysing the profit and loss effect of an unexpected increase of 200 basis points parallel yield curve shift in all currencies. The results on the interest positions are due to the fact that the Group's central Treasury leaves interest exposures partly open by not fully hedging the inter-company funding. These limited

interest rate positions are held in different currencies yet mainly in EUR, USD, GBP and CHF, for which limits have been approved as part of risk appetite. The analysis is performed by calculating the impact of an increase in rates on the future cash flows of all transactions (including the off-balance transactions) categorised as open interest rate position. The calculation is based on a blended yield curve of cash rates and swap rates derived from Bloomberg.

The 200 basis points parallel yield curve shift in all currencies is also used within the Pillar 2 capital calculation.

Currency risk

Currency risk is the risk that a business' operations or an investment's value will be affected by changes in exchange rates. It arises from the change in price of one currency against another, where positions are not hedged. Due to LeasePlan's activities in 32 countries, LeasePlan as a Group is exposed to currency exchange rates. LeasePlan uses the Euro as its functional currency. Whenever reasonably possible hedging is applied, naturally by means of matching assets and liabilities, or by means of a financial derivative. LeasePlan's standing practice is to avoid any unnecessary currency risks. In order to facilitate the Group companies when obtaining funding in their local currencies, the central treasury organization is permitted to run currency risk which allows minimal exposure per currency. TRM reviews positions on a monthly basis and reports to the Senior Corporate Vice President Risk Management. Periodically the Funding and Treasury Risk Committee discusses the currency risk positions for the whole group, and potential measures to further mitigate such exposures if necessary. Nearly all debt funding, directly or via derivatives, is concluded in the currency in which assets are originated, thereby protecting balance sheet ratios against currency fluctuations. This principle is applied both at Group level, and with the local Group companies. This is required both when obtaining funds at local banks or at the central treasury. In order to facilitate this, the central treasury organization seeks to follow limits per currency in line with the risk appetite.

LeasePlan is exposed to currency risk on its equity holdings of subsidiaries, including annual results, reflecting its global footprint. LeasePlan keeps open the possibility to hedge translation risk when operations are denominated in highly volatile currencies or a high inflation environment. LeasePlan's currency risk exposures are mainly related to its net investment in subsidiaries.

Reputational risk

Reputational risk derives from each of the other risks identified by the Group and is defined as the current or prospective risk to earnings, liquidity and/or capital arising for Group companies or the Group as a whole from adverse perception of the image of LeasePlan on the part of current or prospective clients, investors, employees and other stakeholders.

The reputational risk appetite was set to a low tolerance level and criteria were set for tolerance levels on 4 elements (frequency, stakeholder perception, media coverage and integrity level). The Group uses a two-way approach to deal with potential reputational issues: a communications framework and a reputational risk framework. The communications framework focuses on ensuring the reputation of the Group and to absorb incidents; a structured approach on all crisis communications and reputation management plans has been developed, escalation levels for crisis communications are embedded and overall monitoring of LeasePlan publications is executed.

The Group also has a reputation risk framework in place. It makes sure sufficient measures are in place to keep the Group in line with the "low" tolerance level for reputational risk, coordination and implementing of mitigating activities; awareness is also provided. By bringing reputational risk within the tolerance level of low risk the Group has reviewed current mitigating activities and proposed additional activities.

Furthermore, the code of conduct (the "**Code of Conduct**") was adopted in 2010; integrity is the key focus. The Code of Conduct is further embedded in the Group as a result of the LeasePlan dilemma game (rolled out globally in 2012). In 2013 also a global e-learning training on the Code of Conduct was rolled out. A compliance awareness programme is in place, which helps govern the Group's reputation. Also the annual global Integrity Survey is a convincing tool to stress the importance of integrity as a measure to safeguard the Group's reputation among its employees

Operational risk

Operational risk is the risk of losses resulting from inadequate or failed internal processes, human behaviour and systems or from external events. An operational loss is the financial impact that arises from the occurrence of an operational risk event. LeasePlan's operational risk policy, as set by the

Managing Board, includes requirements on creating awareness, sufficient staffing and governance (including the existence of a local risk committee), loss identification and reporting, risk assessment and the definition of operational risk appetite. This policy prescribes the requirements for the organization of the operational risk management activities in each Group company. Local management is responsible for managing the operational risks in their Group company. In all Group companies a formal operational risk management role is in place. This function is the driving force behind the increase in risk awareness and the improvement of operational risk management within the subsidiary. LeasePlan's corporate operational risk management department is responsible for establishing and maintaining the operational risk framework, monitoring its operational risk profile and the collation and validation of operational risk reporting at Group level. This department prepares analyses of the operational losses reported by Group companies for the Group's Operational Risk Committee and initiates the overall assessment of risks in the Group as a basis for the annual internal capital adequacy assessment process (ICAAP).

Motor insurance risk

Motor insurance risk is the exposure to potential loss due to costs related to damages incurred for LeasePlan's account exceeding the compensations included in lease rental payments. This risk consists of long-tail risks (motor third-party liability and legal defense) and short-tail risks (motor material damage and passenger indemnity). These risks are retained by LeasePlan's insurance subsidiary, Euro Insurances. In addition, some of its subsidiaries have a local risk retention scheme for motor material damages and retain the damage risk, while also offering insurance coverage through either Euro Insurances or external providers. Euro Insurances provides motor third party liabilities insurance to its operational vehicle leasing subsidiaries' customers. As a result, LeasePlan has insurance risk on the insurance sold to customers in connection with its vehicle lease rentals. However, it is LeasePlan's policy that once certain insurance risk limits are reached, the related risks be reinsured to the extent they exceed such limits.

Legal and Compliance risk

All other risks mentioned above are subject to legal and compliance risk. Legal risk covers the financial and other losses LeasePlan may suffer as a result of negligence in respect of, and/or failure to comply with, applicable laws and regulations. Compliance risk is defined as the risk of legal or regulatory sanctions, financial loss, or loss to reputation LeasePlan may suffer as a result of its non-conformance with the integrity, expertise and professionalism requirements of applicable laws, regulations, codes of conduct, good management practices and internal policies. The management of legal and compliance risks is assigned to the corporate Legal & Compliance department, which is headed by the Senior Corporate Vice President Legal & Compliance. This role also acts as the Group Compliance Officer reporting directly to LeasePlan's Chief Executive Officer and has direct access to the Chairman of the Supervisory Board in specific circumstances. In each Group company a local compliance function is in place. The corporate compliance function cooperates closely with the local compliance functions.

The Group's compliance charter and compliance risk management framework form the basis for the governance of the function and compliance cycle. The compliance charter introduces a clear allocation of tasks and responsibilities of management and staff involved in compliance within the Group. LeasePlan follows a risk based approach along the lines of the compliance cycle, i.e. identifying risks, assessing risks, and making, explaining, monitoring and enforcing rules. The independence of its compliance officers is embedded in the compliance charter as well as their reporting lines. Twice per year the Group Compliance Officer provides updates on compliance matters to the meeting of the Managing Board. Annually, compliance topics are discussed with all Managing Directors of LeasePlan's operating companies during regionally held meetings. In addition to the information reporting to senior management within LeasePlan, major risks and incidents related to compliance are discussed with its Chief Executive Officer on a quarterly basis and, if required, on an incidental basis. On an annual basis the Group Compliance Officer presents a report regarding compliance to the Supervisory Board.

The basis for mitigating compliance risk is formed by the Group's compliance charter and compliance risk management framework, as well as the compliance risk policy, which are applicable to all Group companies. The Code of Conduct reflects the values and behaviours that apply within the organisation. The Code of Conduct adds to the aforementioned basis by promoting ethical behaviour in the broadest sense, including corporate responsibility in doing business and customer focus. Furthermore, the corporate compliance function ensures that developments in regulations are captured in new or existing Group policies if necessary. After formal approval by LeasePlan's Managing Board, these policies are announced to the Group companies and their compliance officers.

Each Group company performs an annual compliance risk assessment. All Group companies report on this assessment in their yearly compliance reports to the Group Compliance Officer. Those local compliance risk assessments also contribute to the insight into the adequacy of the legal and compliance risk management organisation. Furthermore, identified risks are taken into consideration for inclusion in the Compliance Annual Plan. The compliance risk management framework is intended to further guide the Group companies in performing these risk self-assessments. In addition, an annual global Integrity Survey was introduced in 2011. This global survey helps the Group in measuring the perceived level of integrity that exists in all parts of the business. Its outcome supports the Group to further steer values and integrity and to enhance awareness of compliance risks.

ICT Risk

Within LeasePlan, ICT risk is defined as any risk which is related to information and communication technology. As there is substantial overlap with (processes related to) operational risk such as self assessments, loss reporting and business continuity (including disaster recovery), ICT risk mainly focuses on information security.

The Issuer's Information Security Policy, as set by the Managing Board, includes requirements on creating awareness, sufficient staffing and governance, security incident reporting and risk assessment. This policy prescribes the requirements for the organisation of information security in each Group company. Local management is responsible for managing information security in their Group company. Each Group company must have an information security officer ("**ISO**") role assigned. The ISO role reports to senior management or is assigned to a member of the senior management and cooperates closely with the Information Security & Governance department at the Issuer's corporate centre. The corporate Information security & governance department is responsible for establishing and maintaining the ICT Risk Framework, monitoring the ICT Risk profile and the collation and validation of ICT risk reporting at Group level. This department prepares on a bi-monthly basis a consolidated ICT Risk report (based upon the ICT risk reports reported by Group companies) for the Group's Information Security Board. Similar to operational risk, all Group companies including LeasePlan Bank, structurally identify, assess, and report their ICT risks. Furthermore the Issuer has adopted a customised variant of the OCTAVE (Operationally Critical Threat, Asset and Vulnerability Evaluation) methodology and produced a toolkit of workflows and templates. Each Group company is responsible for producing an information asset inventory and it is recommended that the OCTAVE methodology is used to achieve this. The output from the information asset inventory is created, maintained and reviewed by the individual Group companies. On a day to day basis ICT issues and risks are typically identified and established via information technology infrastructure library ("**ITIL**") ICT management processes, (especially incident management and problem management), upon which the Issuer's ICT Management processes are based. Risk analysis activities are incorporated within ITIL processes.

IMPORTANT NOTICES

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

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 will be prepared.

INFORMATION ON PUBLIC OFFERS OF NOTES WHERE THERE IS NO EXEMPTION FROM THE OBLIGATION UNDER THE PROSPECTUS DIRECTIVE TO PUBLISH A PROSPECTUS

Restrictions on Public Offers of Notes in Relevant Member States where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus

Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may, subject as provided below, be offered in any member state of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant member State**") in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a "**Public Offer**". This Base Prospectus has been prepared on a basis that permits Public Offers of Notes in The Netherlands and Luxembourg (each, a "**Public Offer Jurisdiction**"). Any person making or intending to make a Public Offer of Notes in a Public Offer Jurisdiction on the basis of this Base Prospectus must do so only with the consent of the Issuer– see "*Consent given in accordance with Article 3.2 of the Prospectus Directive (Retail Cascades*)" below.

If after the date of this Base Prospectus the Issuer intends to add one or more Relevant Member States to the list of Public Offer Jurisdictions for any purpose, it will prepare a supplement to this Base Prospectus specifying such Relevant Member State(s) and any relevant additional information required by the Prospectus Directive. Such supplement will also set out provisions relating to the consent of the Issuer to the use of this Prospectus in connection with any Public Offer in any such additional Public Offer Jurisdiction.

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

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

In the context of any Public Offer of Notes in a Public Offer Jurisdiction, the Issuer accepts responsibility in that Public Offer Jurisdiction for the content of this Base Prospectus in relation to any person (an "**Investor**") who purchases any Notes in that Public Offer Jurisdiction made by any of the Dealers and financial intermediaries to whom the Issuer have given their consent to use this Base Prospectus (an "**Authorised Offeror**") provided that the offer is made during the Offer Period as specified in the applicable Final Terms in compliance with all conditions attached to the giving of the consent. Such consent and conditions are described below under "*Consent*". None of the Issuer and the Dealers has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with any applicable conduct of business rules or other local regulatory or securities law requirements in that Public Offer Jurisdiction in relation to such Public Offer.

Save as provided below, none of the Issuer and the Dealers has authorised the making of any Public Offer and the Issuer has not consented to the use of this Base Prospectus by any other person in connection with any Public Offer of Notes. Any Public Offer made without the consent of the Issuer is unauthorised and none of the Issuer and the Dealers accepts any responsibility or liability in relation to such offer for the actions of the persons making any such unauthorised offer.

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

Consent

Subject to the conditions set out below under "*Common Conditions to Consent*":

a. *Specific Consent*: if (and only if) Paragraph 9, Part B of the applicable Final Terms specifies "Specific Consent" as "Applicable", the Issuer consents to the use of this Base Prospectus in connection with a Public Offer of Notes in any Public Offer Jurisdiction by any of the Dealers and by:

   (i) any financial intermediary named as an Authorised Offeror in the applicable Final Terms; and

   (ii) any financial intermediary appointed after the date of the applicable Final Terms and whose name is published on the website of the Issuer (www.leaseplan.com) and identified as an Authorised Offeror in respect of the relevant Public Offer; and

b. *General Consent*: if (and only if) Paragraph 9, Part B of the applicable Final Terms specifies "General Consent" as "Applicable", the Issuer hereby offers to grant its consent to the use of this Base Prospectus in connection with a Public Offer of Notes in any Public Offer Jurisdiction by any financial intermediary which

   (i) is authorised to make such offers under Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments, including under any applicable implementing measure in each relevant jurisdiction ("**MiFID**"); and

   (ii) accepts such offer by publishing on its website the following statement (with the information in square brackets completed with the relevant information) (the "**Acceptance Statement**"):

"We, [insert legal name of financial intermediary], refer to the offer of [insert title of relevant Notes] (the "Notes") described in the Final Terms dated [insert date] (the "**Final Terms**") published by LeasePlan Corporation N.V. (the "**Issuer**"). In consideration of the Issuer offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [insert name(s) of relevant Public Offer Jurisdiction(s)] during the Offer Period in accordance with the Authorised Offeror Terms as specified in the Base Prospectus, we hereby accept the offer by the Issuer. We confirm that we are authorised under MiFID to make, and are using the Base Prospectus in connection with the Public Offer in accordance with the consent of the Issuer on the Authorised Offeror Terms.

Terms used herein and otherwise not defined shall have the same meaning as given to such terms in the Base Prospectus."

Any financial intermediary falling within this sub-paragraph (b) who wishes to use this Base Prospectus in connection with a Public Offer is required, for the duration of the relevant Offer Period specified in the applicable Final Terms, to publish a duly completed Acceptance Statement on its website stating that it uses this Base Prospectus in accordance with the consent of the Issuer and the conditions thereto.

Common conditions to consent

The conditions to the consent of the Issuer are (in addition to the conditions described in either sub-paragraph (a) or sub-paragraph (b) under "Consent" above) that such consent:

a. is only valid in respect of the relevant Tranche of Notes;

b. is only valid during the Offer Period specified in the applicable Final Terms;

c. only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Notes in such of the Public Offer Jurisdictions as are specified in the applicable Final Terms; and

d. any other conditions specified in the applicable Final Terms.

The consent referred to above relates to Public Offers occurring within twelve months from the date of this Base Prospectus.

ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS WHO WILL DISTRIBUTE THE NOTES

IN THE EVENT OF AN OFFER BEING MADE BY AN AUTHORISED OFFEROR, SUCH AUTHORISED OFFEROR WILL PROVIDE INFORMATION TO INVESTORS ON THE TERMS AND CONDITIONS OF THE OFFER AT THE TIME THE OFFER IS MADE, INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NONE OF THE ISSUER OR ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.

In relation to each separate issue of Notes, the issue price and the amount of such Notes will be determined, before filing of the relevant final terms (the "**Final Terms**") and interest (if any) payable in respect of Notes of each issue, based on then prevailing market conditions at the time of the issue of the Notes, and will be set out in the relevant Final Terms. The Final Terms will be provided to investors and filed with the relevant competent authority for the purposes of the Prospectus Directive when any public offer of Notes is made or Notes are admitted to trading on a regulated market as soon as practicable and if possible in advance of the beginning of the offer or admittance to trading on a regulated market.

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

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers.

Neither this Base Prospectus nor any other information supplied in connection with the Programme should be considered as a recommendation by the Issuer or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme should purchase any Notes. No representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers, in their capacity as such, as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by the Issuer. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

Neither this Base Prospectus nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes. This Base Prospectus may only be used for the purposes for which it has been published. Neither the Issuer nor any of the Dealers represent that this Base Prospectus may be lawfully distributed, or that Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction. In particular, further action may be required under the Programme in order to permit a public offering of the Notes or distribution of this document in any jurisdiction.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, *inter alia*, the most recent financial statements of the Issuer when deciding whether or not to purchase any Notes.

The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Base Prospectus or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the European Economic Area (including The Netherlands, Italy, Luxembourg and the United Kingdom), Japan and the United States (see "Subscription and Sale" below).

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or jurisdiction of the United States. The Notes are in bearer form and are subject to U.S. tax law requirements. Notes 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, "**Regulation S**"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirement of the Securities Act.

Neither the Programme nor the Notes has been approved or disapproved by the United States Securities Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of any offering of Notes or the accuracy or adequacy of this Base Prospectus. Any representation to the contrary is a criminal offence in the United States.

All references in this document to "U.S. dollars", "U.S.$" and "$" refer to the currency of the United States of America, those to "Japanese yen", "Yen" and "¥" refer to the currency of Japan, those to "Sterling" and "£" refer to the currency of Great Britain and those to "EUR", "€" and "euro" refer to the currency of the Member States of the European Union participating in the economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. 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. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s) in accordance with all applicable laws and rules.

DOCUMENTS INCORPORATED BY REFERENCE

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

(a) the articles of association (*statuten*) of the Issuer;

(b) the publicly available audited consolidated and unconsolidated annual financial statements of LPCorp for 2013 (as set out on pages 57 through 123 and pages 124 through 138 of the 2013 annual report in respect of LPCorp, including the auditor's reports thereon on page 141); the publicly available audited consolidated and unconsolidated annual financial statements of LPCorp for 2014 (as set out on pages 65 through 139 and pages 140 through 153 of the 2014 annual report in respect of LPCorp, including the auditor's reports thereon on pages 157 through 166); the publicly available audited consolidated and unconsolidated annual financial statements of LPCorp for 2015 (as set out on pages 66 through 138 and pages 139 through 149 of the 2015 annual report in respect of LPCorp, including the auditor's report thereon on pages 155 through 165); and the publicly available unaudited reviewed condensed consolidated quarterly financial statements of LPCorp for the three months ended 31 March 2016 (as set out on pages 5 through 26 of the First quarter 2016 results in respect of LPCorp, including the auditor's review report thereon on page 27);

(c) the terms and conditions (including the form of final terms) set out on pages 55-77 and 78-89 of the base prospectus prepared by the Issuer in connection with the Programme dated 18 June 2013 (the "**2013 Conditions**");

(d) the terms and conditions (including the form of final terms) set out on pages 55-77 and 78-89 of the base prospectus prepared by the Issuer in connection with the Programme dated 17 June 2014 (the "**2014 Conditions**"); and

(e) the terms and conditions (including the form of final terms) set out on pages 62-86 and 86-98 of the base prospectus prepared by the Issuer in connection with the Programme dated 12 June 2015 (the "**2015 Conditions**").

Any information contained in any of the documents specified above which is not incorporated by reference in this Base Prospectus is either not relevant to investors or is covered elsewhere in this Base Prospectus.

The Issuer will provide, free of charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated herein by reference 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, where appropriate, English translations of any or all such documents. Requests for such documents should be directed to the Issuer in writing at the registered office set out at the end of this Base Prospectus or by telephone at +31 36 539 3911 with regard to LPCorp.

In addition, such documents will be available, free of charge, from the office in London of Deutsche Bank AG, London Branch in its capacity as Issuing and Principal Paying Agent and on the investors section of the Issuer's website https://www.leaseplan.com/page/investors. Copies of documents incorporated by reference in this Base Prospectus can also be obtained from https://www.leaseplan.com/page/investors. Any information contained in or accessible through any website, including https://www.leaseplan.com/page/investors, does not form a part of the Base Prospectus, unless specifically stated in the Base Prospectus, in any supplement hereto or in any document incorporated or deemed to be incorporated by reference in this Base Prospectus that all or any portion of such information is incorporated by reference in the Base Prospectus.

The Issuer will, in case of any significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the Notes to be issued under the Programme, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

Cross-Reference List

The Annual Report 2013	
Financial Statements	*pages 57-123 and 124-138*
Auditor's Report	*page 141*
The Annual Report 2014	
Financial Statements	*pages 65-139 and 140-153*
Auditor's Report	*pages 157-166*
The Annual Report 2015	
Financial Statements	*pages 66-138 and 139-149*
Auditor's Report	*pages 155-165*
The First Quarter Report 2016	
Financial Statements	*pages 5-12*
Auditor's Review Report	*page 27*

This Base Prospectus and any supplement will only be valid for the issue of Notes under the Programme in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed EUR 15,000,000,000 or its equivalent in other currencies. For the purpose of calculating the aggregate amount of Notes issued under the Programme from time to time:

(a) the euro equivalent of Notes denominated in another Specified Currency (as defined under "Form of the Notes" below) shall be determined, at the discretion of LPCorp, as of the date of agreement to issue such Notes (the "**Agreement Date**") or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the euro against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading bank selected by LPCorp on such date; and

(b) the amount (or, where applicable, the euro equivalent) of Zero Coupon Notes (as defined under "Form of the Notes" below) and other Notes issued at a discount or premium shall be calculated (in the case of Notes not denominated in euro, in the manner specified above) by reference to the net proceeds received by the Issuer for the relevant issue.

KEY FEATURES OF THE PROGRAMME

The following description of the key features of the Programme does not purport to be complete and is taken from, and is qualified by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. 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. Words and expressions defined in "Form of the Notes" and "Terms and Conditions of the Notes" below shall have the same meanings in this description.

Issuer:	LeasePlan Corporation N.V.
Description:	Debt Issuance Programme
Arranger:	ABN AMRO Bank N.V.
Dealers:	ABN AMRO Bank N.V. Australia and New Zealand Banking Group Limited BNP PARIBAS Citigroup Global Markets Limited Danske Bank A/S Deutsche Bank AG, London Branch HSBC Bank plc ING Bank N.V. J.P. Morgan Securities plc Mizuho International plc Société Générale Corporate & Investment Banking Westpac Banking Corporation
Competent Authority for the purposes of the Prospectus Directive:	The Netherlands Authority for the Financial Markets
Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "Subscription and Sale" below).
Issuing and Principal Paying Agent:	Deutsche Bank AG, London Branch
Size:	Up to EUR 15,000,000,000 (or its equivalent in other currencies calculated as described herein below) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis. The method of distribution of each Tranche will be stated in the applicable Final Terms.
Currencies:	Subject to any applicable legal or regulatory restrictions, such currencies as may be agreed between the Issuer and the relevant Dealer, including, without limitation, Australian dollars, Canadian dollars, euro, Hong Kong dollars, Sterling, Swiss francs, U.S. dollars and Yen.
Redenomination:	The applicable Final Terms may provide that certain Notes may be redenominated in euro. The relevant provisions applicable to any such redenomination are contained in Condition 4 of the Terms and Conditions of the Notes.

Maturities:	Any maturity, subject to applicable laws, regulations and restrictions and subject to a minimum maturity of one (1) month.
Issue Price:	Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	The Notes will be in bearer form. Each Tranche of Notes will (unless otherwise specified in the applicable Final Terms) initially be in the form of 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 either (i) with a common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearance system or (ii) with Euroclear Netherlands. 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 issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream Luxembourg. Each temporary global Note will be exchangeable for a permanent global Note or, if so specified in the relevant Final Terms, for definitive Notes upon certain conditions including, in the case of a temporary global Note where the issue is subject to TEFRA D selling restrictions, upon certification of non-U.S. beneficial ownership as required by U.S. Treasury regulations. The applicable Final Terms will specify that a permanent global Note is exchangeable for definitive Notes only upon the occurrence of an Exchange Event, as described in "Form of the Notes" below, and in respect of global Notes deposited with Euroclear Netherlands only in the limited circumstances as described in the Securities Giro Act (*Wet giraal effectenverkeer*) and in accordance with the rules and regulations of Euroclear Netherlands. Any interest in a global Note will be transferable only in accordance with the rules and procedures for the time being of either (i) Euroclear, Clearstream, Luxembourg and/or any other agreed clearance system or (ii) Euroclear Netherlands, as appropriate.
Interest:	Interest in respect of the Notes may have a Fixed Rate, a Floating Rate or a CMS-Linked Interest Rate, or may not bear interest (Zero Coupon) or a combination of any of the above, as specified in the applicable Final Terms.
Fixed Rate Notes:	Fixed interest will be payable on the date or dates specified in the applicable Final Terms and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Final Terms).

Floating Rate Notes/CMS-Linked Interest Notes:	Floating Rate Notes will bear interest at a rate determined as follows: (i) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series) or (ii) on the basis of a reference rate on the agreed screen page of a commercial quotation service or (iii) using any other method of determination as may be provided in the applicable Final Terms. CMS-Linked Interest Notes will bear interest at a rate determined on the basis of a CMS reference rate on the agreed screen page of a commercial quotation service. The Margin (if any) relating to such floating rate will be specified in the applicable Final Terms.
Other provisions in relation to interest-bearing Notes:	Notes may have a maximum interest rate, a minimum interest rate and/or both. Terms applicable to step-up Notes, step-down Notes, Inverse Floating Rate Notes (also called Reverse Floating Rate Notes), Fixed/Floating Rate Notes, snowball Notes and any other type of Note that the Issuer and the relevant Dealer(s) may agree to issue under the Programme will be set out in the relevant Final Terms. Interest on Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Final Terms).
Zero Coupon Notes:	Zero Coupon Notes will be offered and sold at a discount to their nominal amount or at par and will not bear interest other than in the case of late payment.
Redemption:	The applicable Final Terms will indicate either that the Notes cannot be redeemed prior to their stated maturity (other than following an Event of Default) or that such Notes will be redeemable for taxation reasons, at the option of the Issuer and/or the Noteholders upon giving notice as is indicated in the applicable Final Terms to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Final Terms.

	Regulatory Call Option If Regulatory Call is specified in the applicable Final Terms in respect of Subordinated Notes such Notes will be redeemable at the option of the Issuer upon the occurrence of a Capital Event at the amount specified in the applicable Final Terms subject to (i) the prior written permission of the Competent Authority provided that at the relevant time such permission is required pursuant to Article 77 CRD IV Regulation and (ii) the Issuer demonstrating to the satisfaction of the Competent Authority that the Issuer complies with Article 78 CRD IV Regulation, which may include the replacement of the Subordinated Notes with own funds instruments of equal or higher quality on terms that are sustainable for the income capacity of the Issuer, and upon giving not less than 30 nor more than 60 days' irrevocable notice. "**Capital Event**", "**CRD IV Regulation**" and "**Competent Authority**" have the meaning ascribed thereto in Condition 7(e) (*Redemption, Substitution and Variation for regulatory purposes of Subordinated Notes*) of the Terms and Conditions of the Notes.
Denomination of Notes:	Notes will be issued in such denominations as may be specified in the applicable Final Terms save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.
Taxation:	All payments in respect of the Notes will be made free and clear of withholding or deducting taxes of The Netherlands, unless the withholding is required by law. In that event, the Issuer will either (i) subject to certain exceptions as provided in Condition 8 of the Terms and Conditions of the Notes, pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of the Notes had no such withholding been required or (ii) make the required withholding or deduction but the Issuer will not pay any additional amounts to compensate Noteholders, as will be agreed between the Issuer and the relevant Dealer at the time of issue of the Notes, specified in the applicable Final Terms and summarised in the relevant issue specific summary annexed to the applicable Final Terms. If the applicable Final Terms provides that payments in respect of the Notes are to be made as provided in (ii) above, it will also specify that Condition 7(b) of the Terms and Conditions of the Notes will not apply to such Notes.
Negative Pledge:	See Condition 3 of the Terms and Conditions of the Notes.
Cross Default:	See Condition 10 of the Terms and Conditions of the Notes.
Status of the Senior Notes:	All Notes issued by the Issuer other than Subordinated Notes shall be Senior Notes (the "**Senior Notes**"). The Senior Notes will constitute unsecured and unsubordinated 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 provisions of law.
Status of the Subordinated Notes:	Status and subordination The Subordinated Notes will constitute unsecured subordinated obligations of the Issuer and will rank (i) *pari passu* without any preference among themselves and with all other present and future unsecured and equally subordinated obligations of the Issuer (other than those subordinated obligations expressed by

their terms or by mandatory and/or overriding provisions of law to rank either junior or senior to the Subordinated Notes) and (ii) junior to those obligations expressed by their terms to rank in priority to the Subordinated Notes and those preferred by mandatory and/or overriding provisions of law.

As a result, the claims of the holders of the Subordinated Notes of each Series (the "**Subordinated Holders**") against LPCorp will:

(i) in the event of the liquidation or bankruptcy of LPCorp; or

(ii) in the event of a Moratorium,

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

By virtue of such subordination, payments to a Subordinated Holder will, in the event of liquidation or bankruptcy of LPCorp or in the event of a Moratorium with respect to LPCorp, only be made after, and any set-off by a Subordinated Holder shall be excluded until, all obligations of LPCorp resulting from higher ranking deposits, unsubordinated claims with respect to the repayment of borrowed money and other unsubordinated claims and higher ranking subordinated claims have been satisfied.

Events of Default of Subordinated Notes are restricted to bankruptcy and liquidation and repayment following an Event of Default may be subject to the prior permission of the Competent Authority.

The Subordinated Notes of this Series may qualify as Tier 2 capital ("**Tier 2 Notes**") as specified in the applicable Final Terms for the purposes of the regulatory capital rules applicable to the Issuer from time to time.

Variation or Substitution

If the applicable Final Terms indicate that the Subordinated Notes will be subject to Variation or Substitution and if a CRD IV Capital Event or a Capital Event has occurred and is continuing, then the Issuer may, subject to the prior written permission of the Competent Authority provided that at the relevant time such permission is required (but without any requirement for the consent or approval of the Subordinated Noteholders) and having given not less than 30 nor more than 60 days' notice (which notice shall be irrevocable), either substitute all, but not some only, of the Subordinated Notes or vary the terms of the Subordinated Notes so that they remain or, as appropriate, become compliant with CRD IV or such other regulatory capital rules applicable to the Issuer at the relevant time, provided that such variation or substitution shall not result in terms that are materially less favourable to the Subordinated Noteholders and that the resulting securities must have at least*, inter alia*, the same ranking, interest rate, maturity date, redemption rights, existing rights to accrued interest which has not been paid and assigned the same ratings as the Subordinated Notes.

"**CRD IV**", "**CRD IV Capital Event**" and "**Capital Event**" have the meanings ascribed thereto in Condition 7(e) (*Redemption, Substitution and Variation for regulatory purposes of Subordinated Notes*) of the Terms and Conditions of the Notes.

- Statutory Loss Absorption

  Subordinated Notes may become subject to the determination by the Resolution Authority or the Issuer (following instructions from the Resolution Authority) that all or part of the nominal amount of the Subordinated Notes, including accrued but unpaid interest in respect thereof, must be written down or converted into common equity Tier 1 instruments or otherwise be applied to absorb losses, all as prescribed by the Applicable Resolution Framework. Upon any such determination, (i) the relevant proportion of the outstanding nominal amount of the Subordinated Notes subject to Statutory Loss Absorption shall be written down or converted into common equity Tier 1 instruments or otherwise be applied to absorb losses, as prescribed by the Applicable Resolution Framework, (ii) such Statutory Loss Absorption shall not constitute an Event of Default and (iii) the Subordinated Noteholders will have no further claims in respect of the amount so written down or subject to conversion or otherwise as a result of such Statutory Loss Absorption.

  "**Resolution Authority**", "**Applicable Resolution Framework**" and "**Statutory Loss Absorption**" have the meanings ascribed thereto in Condition 7(j) (*Statutory Loss Absorption of Subordinated Notes*) of the Terms and Conditions of the Notes.

Rating: S&P has confirmed the following ratings to this Programme:

- Unsecured and Unsubordinated Notes: BBB- (Credit Watch Negative) / A-3

representing respectively the long and short term rating.

A S&P issue credit rating is a current opinion of the creditworthiness of an obligor with respect to a specific financial obligation, a specific class of financial obligations, or a specific financial programme (including ratings on medium-term note programs and commercial paper programs). It takes into consideration the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation and takes into account the currency in which the obligation is denominated. The issue credit rating is not a recommendation to purchase, sell, or hold a financial obligation, inasmuch as it does not comment as to market price or suitability for a particular investor.

An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

A short-term obligation rated 'A-3' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

Moody's has confirmed the following ratings to this Programme:

- Unsecured and Unsubordinated Notes: Baa1 / P-2

representing respectively the long and short term rating.

The purpose of Moody's ratings is to provide investors with a simple system of gradation by which relative creditworthiness of securities may be noted. Gradations of creditworthiness are indicated by rating symbols, with each symbol representing a group in which the credit characteristics are broadly the same.

Moody's assigns long-term ratings to individual debt securities issued from medium-term note (MTN) programs, in addition to indicating ratings to MTN programs themselves. Notes issued under MTN programmes with such indicated ratings are rated at issuance at the rating applicable to all *pari passu* notes issued under the same programme, at the programme's relevant indicated rating, provided such notes do not exhibit any of the characteristics listed below:

- Notes containing features that link interest or principal to the credit performance of any third party or parties;
- Notes allowing for negative coupons, or negative principal;
- Notes containing any provision that could obligate the investor to make any additional payments; and
- Notes containing provisions that subordinate the claim.

For notes with any of these characteristics, the rating of the individual note may differ from the indicated rating of the programme.

Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Issuers (or supporting institutions) rated 'P-2' have a strong ability to repay short-term debt obligations.

Fitch has confirmed the following ratings to this Programme:

- Unsecured and Unsubordinated Notes: BBB+ / F2

representing respectively the long and short term rating.

Fitch's credit ratings provide an opinion on the relative ability of an entity to meet financial commitments, such as interest, preferred dividends, repayment of principal, insurance claims or counterparty obligations. Credit ratings are used by investors as indications of the likelihood of receiving their money back in accordance with the terms on which they invested. Fitch's credit ratings cover the global spectrum of corporate, sovereign (including supranational and sub-national), financial, bank, insurance, municipal and other public finance entities and the securities or other obligations they issue, as well as structured finance securities backed by receivables or other financial assets. The rating is not a recommendation or suggestion, directly or indirectly, to buy, sell, make or hold any investment, loan or security or any Issuer. The ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security.

'BBB' ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is

	considered adequate but adverse business or economic conditions are more likely to impair this capacity. The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories. 'F2' ratings denote good intrinsic capacity for timely payment of financial commitments. This information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by S&P, Moody's, and Fitch, no facts have been omitted which would render the reproduced information inaccurate or misleading. Subordinated Notes will be rated as specified in the applicable Final Terms. Notes issued pursuant to the Programme may be rated or unrated. Where an issue of Notes is rated, its rating will be specified in the Final Terms. A 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. Whether or not each credit rating applied for in relation to the relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.
Listing and admission to trading:	Application may be made for the Notes as described herein to be issued under the Programme to be admitted to trading on Euronext or to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg). The Notes may also be listed on such other regulated or unregulated market(s) as may be agreed between the Issuer and the relevant Dealer in relation to each issue. Unlisted Notes may also be issued. The Final Terms relating to each issue will state whether or not the Notes are to be listed or admitted to trading, as the case may be, and, if so, on which exchanges and/or markets.
Governing Law:	The Notes will be governed by, and construed in accordance with, the laws of The Netherlands.
Selling Restrictions:	There are selling restrictions in relation to the European Economic Area (and also specifically in respect of The Netherlands, Italy, Luxembourg and the United Kingdom), Japan and the United States, and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See "Subscription and Sale" below.

FORM OF THE NOTES

Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.

Each Tranche of Notes will initially be in the form of either a temporary global Note or a permanent global Note, without interest coupons or talons. Each temporary global Note or, as the case may be, permanent global Note, which is not intended to be issued in new global note ("**NGN**") form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with (i) a depositary or common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system or (ii) be deposited with Euroclear Netherlands. 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 issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream Luxembourg.

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 the European System of Central Banks ("**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.

The address of Euroclear is 1 Boulevard du Roi Albert II, B.1210 Brussels, Belgium, the address of Clearstream, Luxembourg is 42 Avenue J.F. Kennedy L-1855 Luxembourg and the address of Euroclear Netherlands is Herengracht 459-469, 1017 BS Amsterdam, The Netherlands.

Whilst any Note is represented by a temporary global Note and subject to TEFRA D selling restrictions, payments of principal and interest (if any) due prior to the Exchange Date (as defined below) will be made against presentation of the temporary global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by the relevant clearing system(s) and the relevant clearing system(s) have given a like certification (based on the certifications they have received) to the Agent. Any reference in this section to the relevant clearing system(s) shall mean the clearance and/or settlement system(s) specified in the applicable Final Terms.

On and after the date (the "**Exchange Date**") which is not less than 40 days nor (if the temporary global Note has been deposited with Euroclear Netherlands) more than 90 days after the date on which the temporary global Note is issued, interests in the temporary global Note will be exchangeable (free of charge), upon request as described therein, either for interests in a permanent global Note without interest coupons or talons or for definitive Notes (as indicated in the applicable Final Terms) in each case (if the Notes are subject to TEFRA D selling restrictions) against certification of beneficial ownership as described in the second sentence of the preceding paragraph unless such certification has already been given. The holder of a temporary global Note will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless, upon due certification, exchange of the temporary global Note for an interest in a permanent global Note or definitive Notes is improperly withheld or refused.

Pursuant to the Agency Agreement (as defined under "Terms and Conditions of the Notes" below) the Agent shall arrange that, where a temporary global Note representing a further Tranche of Notes is issued, the Notes of such Tranche shall be assigned an ISIN and a common code by Euroclear and Clearstream, Luxembourg which are different from the ISIN and the common code assigned to Notes of any other Tranche of the same Series. Payments of principal and interest (if any) on a permanent global Note will be made through the relevant clearing system(s) against presentation or surrender (as the case may be) of the permanent global Note without any requirement for certification. Definitive Notes will be in the standard euromarket form.

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 that are not integral multiples of such minimum Specified Denomination. 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 tradable only in the minimum Specified Denomination increased with integral multiples of such a smaller amount, notwithstanding that definitive Notes shall only be issued up to, but excluding, twice the minimum Specified Denomination.

A permanent global Note will be exchangeable (free of charge), in whole or (subject to the Notes which continue to be represented by the permanent global Note being regarded by the relevant clearing system(s) as fungible with the definitive Notes issued in partial exchange for such permanent global Note) in part, in accordance with the applicable Final Terms, for security printed definitive Notes with, where applicable, interest coupons or coupon sheets and talons attached. Such exchange may be made, as specified in the applicable Final Terms, only upon the occurrence of any Exchange Event.

An "**Exchange Event**" means (1) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg and/or, if applicable, Euroclear Netherlands have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (2) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 8 of the Terms and Conditions of the Notes which would not be required were the Notes represented by the permanent global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 of the Terms and Conditions of the Notes upon the occurrence of an Exchange Event.

In the event of the occurrence of any Exchange Event, Euroclear and/or Clearstream, Luxembourg and/or Euroclear Netherlands acting on the instructions of any holder of an interest in the global Note may give notice to the Agent requesting exchange and in the event of the occurrence of an Exchange Event as described above, the Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur no later than 15 days after the date on which the relevant notice is received by the Agent. Global Notes and definitive Notes will be issued pursuant to the Agency Agreement. At the date hereof, neither Euroclear nor Clearstream, Luxembourg regards Notes in global form as fungible with Notes in definitive form.

In case of Notes represented by a permanent global Note deposited with Euroclear Netherlands, on the occurrence of an Exchange Event as described above, an exchange for definitive Notes will only be possible in the limited circumstances as described in the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*) and in accordance with the rules and regulations of Euroclear Netherlands.

The following legend will appear on all permanent global Notes, definitive Notes and interest coupons (including talons) which are subject to TEFRA D selling restrictions:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code of 1986."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Notes or interest coupons. The following legend will appear on all global Notes held in Euroclear Netherlands:

"Notice: This Note is issued for deposit with *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.* ("Euroclear Netherlands") at Amsterdam, The Netherlands. Any person being offered this Note for transfer or any other purpose should be aware that theft or fraud is almost certain to be involved".

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 10 of the Terms and Conditions of the Notes of the Notes. In such circumstances, where any Note is still represented by a global Note and a holder of such Note so represented and credited to his account with the relevant clearing system(s) (other than Euroclear Netherlands) gives notice that it wishes to accelerate such Note, unless within a period of 15 days from the giving of such notice payment has been made in full of the amount due in accordance with the terms of such global Note, holders of interests in such global Note credited to their accounts with the relevant clearing system(s) (other than Euroclear Netherlands) will become entitled to proceed directly against the Issuer on the basis of statements of account provided by the relevant clearing system(s) (other than Euroclear Netherlands) on and subject to the terms of the relevant global Note. In the case of a global Note deposited with Euroclear Netherlands, the rights of Noteholders will be exercised in accordance with the Securities Giro Transfer Act (*Wet giraal effectenverkeer*).

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of Notes which will be incorporated by reference into each global Note and which will be endorsed on (or, if permitted by the relevant stock exchange or other relevant authority (if any) and agreed between the Issuer and the relevant Dealer, incorporated by reference into) each definitive Note in the standard euromarket form. The applicable Final Terms in relation to any Tranche of Notes may specify other terms and conditions which shall to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Tranche of Notes. The applicable Final Terms will be endorsed on, incorporated by reference into, or attached to, each global Note and definitive Note in the standard euromarket form. Reference should be made to "Form of the Notes" above for a description of the content of Final Terms which includes the definition of certain terms used in the following Terms and Conditions.

This Note is one of a series of Notes issued by the Issuer named in the Final Terms endorsed on, incorporated by reference into or attached to this Note (the "**Issuer**" and the "**Final Terms**", respectively) pursuant to the Agency Agreement (as defined below). References herein to the "Notes" shall be references to the Notes of this Series (as defined below) and shall mean (i) in relation to any Notes represented by a global Note, units of the lowest Specified Denomination in the Specified Currency, (ii) definitive Notes issued in exchange (or part exchange) for a global Note and (iii) any global Note. The Notes and the Coupons (as defined below) also have the benefit of an Amended and Restated Agency Agreement (such Agency Agreement as further amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") dated 10 June 2016 and made, *inter alia,* between the Issuer, Deutsche Bank AG, London Branch as issuing and principal paying agent and agent bank (the "**Agent**", which expression shall include any successor agent) and the other paying agents named therein (together with the Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents).

Interest bearing definitive Notes in the standard euromarket form (unless otherwise indicated in the Final Terms) have interest coupons ("**Coupons**") and, if indicated in the Final Terms, talons for further Coupons ("Talons") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Any reference herein to "**Noteholders**" shall mean the holders of the Notes, and shall, in relation to any Notes represented by a global Note, be construed as provided below. Any reference herein to "**Couponholders**" shall mean the holders of the Coupons, and shall, unless the context otherwise requires, include the holders of the Talons. Any holders mentioned above include those having a credit balance in the collective depots held by *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.* ("**Euroclear Netherlands**") or one of its participants.

The Final Terms for this Note are endorsed hereon or attached hereto or incorporated by reference herein and supplement these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. References herein to the "applicable Final Terms" are to the Final Terms for this Note.

As used herein, "Tranche" means Notes which are identical in all respects (including as to listing) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects (including as to listing) from the date on which such consolidation is expressed to take effect.

Copies of the Agency Agreement and the applicable Final Terms are available at the specified offices of each of the Agent and the other Paying Agents save that a Final Terms relating to an unlisted Note will only be available for inspection by a Noteholder upon such Noteholder producing evidence as to identity satisfactory to the relevant Paying Agent. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement and the applicable Final Terms which are binding on them.

Words and expressions used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated. Any amendments to the Terms and Conditions required in connection with such additional or alternative clearing systems shall be specified in the applicable Final Terms.

1. Form, Denomination and Title

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the Specified Currency, the Specified Denomination(s) and the Specified Form(s). This Note may be a Fixed Rate Note, a Floating Rate Note, a CMS-Linked Interest Note or a Zero Coupon Note or a combination of any of the foregoing, depending on the Interest Basis shown in the Final Terms.

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

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

Subject as set out below, title to the Notes and Coupons will pass by delivery. For Notes held by Euroclear Netherlands deliveries will be made in accordance with the Dutch Securities Giro Transfer Act (*"Wet giraal effectenverkeer"*). Except as ordered by a court of competent jurisdiction or as required by law or applicable regulations, the Issuer, the Agent and any Paying Agent may deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a global Note held on behalf of Euroclear S.A./N.V. ("**Euroclear**") and/or Clearstream, Banking, société anonyme ("**Clearstream, Luxembourg**") each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and any Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the bearer of the relevant global Note shall be treated by the Issuer and any Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant global Note which, for so long as the relevant global Note is held by a depositary or common depositary, in the case of a CGN, or a common safekeeper, in the case of an NGN, for Euroclear and/or Clearstream, Luxembourg and/or (except in the case of an NGN) any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly). Notes which are represented by a global Note held by a common depositary for Euroclear or Clearstream, Luxembourg will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be. In case of Notes represented by a permanent global Note deposited with Euroclear Netherlands, a Noteholder shall not have the right to request delivery (*uitlevering*) of his Notes under the Dutch Securities Giro Transfer Act (*"Wet giraal effectenverkeer"*) other than as set out in the global Note and in accordance with the rules and regulations of Euroclear Netherlands.

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 but shall not include Euroclear Netherlands.

2. Status of the Notes

(a) Senior Notes

This Condition 2(a) is applicable in relation to Notes specified in the Final Terms as being Senior Notes. The Senior Notes and the relative Coupons constitute unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, save for those preferred by mandatory provisions of law.

(b) Subordinated Notes

This Condition 2(b) is applicable in relation to Notes specified in the Final Terms as being Subordinated Notes. The Subordinated Notes of such Series and the relative Coupons constitute unsecured and subordinated obligations of the Issuer and rank will rank (i) *pari passu* without any preference among themselves and with all other present and future unsecured and equally subordinated obligations of the Issuer (other than those subordinated obligations expressed by their terms or by mandatory and/or overriding provisions of law to rank either junior or senior to the Subordinated Notes) and (ii) junior to those obligations

expressed by their terms to rank in priority to the Subordinated Notes and those preferred by mandatory and/or overriding provisions of law.

As a result, the claims of the holders of the Subordinated Notes of this Series and the relative Coupons (the "**Subordinated Holders**") against the Issuer are:

(i) in the event of the liquidation or bankruptcy of the Issuer: or

(ii) in the event that a competent court has declared that the Issuer is in a situation which requires emergency measures (*noodregeling*) in the interests of all creditors, as referred to in Chapter 3.5.5 of the Dutch Financial Markets Supervision Act, as amended from time to time (*Wet op het financieel toezicht*, the "**FMSA**") and for so long as such situation is in force (such situation being hereinafter referred to as a "**Moratorium**"),

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

By virtue of such subordination, payments to a Subordinated Holder will, in the event of liquidation or bankruptcy of the Issuer or in the event of a Moratorium with respect to the Issuer, only be made after, and any set-off by a Subordinated Holder shall be excluded until, all obligations of the Issuer resulting from Senior Claims have been satisfied.

The Subordinated Notes of this Series may qualify as Tier 2 capital ("**Tier 2 Notes**") as specified in the applicable Final Terms for the purposes of the regulatory capital rules applicable to the Issuer from time to time.

3. Negative Pledge (applicable in relation to Senior Notes only)

So long as any Senior Note remains outstanding, the Issuer will not create or permit to subsist any Encumbrance (other than a Permitted Encumbrance) upon the whole or any part of its present or future undertakings, receivables, assets or revenues to secure any Relevant Indebtedness of any person without at the same time or prior thereto securing the Senior Notes equally and rateably therewith or providing such other security for the Senior Notes as may be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.

For the purpose of this Condition:

"Relevant Indebtedness" means any indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock or certificate in physical form which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market;

"Permitted Encumbrance" means an Encumbrance by the Issuer over the whole or any part of its receivables, undertaking or assets, present or future, pursuant to any securitisation, mortgage-backed financing, asset-backed financing or other similar financing transaction in accordance with normal market practice whereby (1) the value of the receivables, assets, undertakings subject to such Encumbrance is not greater than is required to allow the securitisation, mortgage-backed financing, asset-backed financing, or similar financing transaction to take place, taking into consideration the nature and performance history of the underlying assets, any rating requirements and prevailing market conditions, and (2) recourse under the Encumbrance is limited to the proceeds of sale, collection or realisation of the specific assets, receivables, undertakings secured by the Encumbrance; and

"**Encumbrance**" means any mortgage, charge, pledge, lien or other encumbrance.

4. Redenomination

(a) Redenomination

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

The election will have effect as follows:

(i) the Notes shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a principal amount for each Note equal to the principal amount of that Note in the Specified Currency, converted into euro at the Established Rate provided that, if the Issuer determines, with the agreement of the Agent, that the then market practice in respect of the redenomination into euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Agent and other Paying Agents of such deemed amendments;

(ii) save to the extent that an Exchange Notice has been given in accordance with paragraph (iv) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes held (or, as the case may be, in respect of which Coupons are presented for payment) by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;

(iii) if definitive Notes are required to be issued after the Redenomination Date they shall be issued at the expense of the Issuer in the denominations of euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts less than euro 1,000 or such smaller denominations as the Agent may approve) euro 0.01 and such other denominations as the Agent shall determine and notify to the Noteholders;

(iv) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") that replacement euro-denominated Notes and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes so issued will also become void on that date although those Notes will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes and Coupons will be issued in exchange for Notes and Coupons denominated in the Specified Currency in such manner as the Agent may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;

(v) after the Redenomination Date, all payments in respect of the Notes and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;

(vi) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Fixed Rate of Interest to the Calculation Amount, multiplying such sum by the applicable Day Count Fraction (as defined in Condition 5(a)), and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount;

(vii) if the Notes are Floating Rate Notes or CMS-Linked Interest Notes, the applicable Final Terms will specify any relevant changes to the provisions relating to interest; and

(viii) such other changes shall be made to these Conditions as the Issuer may decide, after consultation with the Agent, and as may be specified in the notice, to conform them to conventions then applicable to instruments denominated in euro. Any such other changes will not take effect until after they have been notified to the Noteholders in accordance with Condition 14**.**

(b) Definitions

In these Conditions, the following expressions have the following meanings:

"**Established Rate**" means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Union regulations) into euro established by the Council of the European Union pursuant to Article 140 of the Treaty;

"**Redenomination Date**" means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to paragraph (a) above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union; and

"**Treaty**" means the Treaty on the functioning of the European Union.

5. Interest

"**Calculation Agent**" means the Calculation Agent so specified in the applicable Final Terms;

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Fixed Rate(s) of Interest payable in arrear on the Interest Payment Date(s) in each year up to and including the Maturity Date, subject in any case as provided in Condition 7(i).

Except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Condition, "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(1) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(2) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(3) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

If a Business Day Convention is specified in the applicable Final Terms, the number of days for calculating the amount of interest payable in respect of the relevant Fixed Interest Period shall also be adjusted in accordance with such Business Day Convention, unless "Unadjusted" is specified in the applicable Final Terms, in which case such amount of interest shall be calculated as if the relevant Interest Payment Date were not subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

In this Condition,

"**Business Day**" means a day which is both:

(A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Final Terms; and

(B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than any Additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open. In these Conditions, "**TARGET2 System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System.

If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with this Condition 5(a):

(a) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:

(i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "Accrual Period") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; or

(ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period (y) the number of Determination Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; and

(B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; and

(b) if "30/360" is specified in the applicable Final Terms the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In the Conditions:

"**Calculation Amount**" has the meaning ascribed to it in the relevant Final Terms;

"**CGN**" means Classic Global Note;

"**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

"**NGN**" means New Global Note; and

"**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as a legal tender in the country of such currency and, with respect to euro, means one cent.

(b) *Interest on Floating Rate Notes or CMS-Linked Interest Notes*

Each Floating Rate Note and CMS-Linked Interest Note bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date at the rate equal to the rate of Interest payable in arrear on either:

(i) Interest Payment Dates

(A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or:

(B) if no Specified Interest Payment Date(s) is/are specified in the Final Terms, each date (each such date, together with each Specified Interest Payment Date, an "**Interest Payment Date**") which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date, subject in any case as provided in Condition 7(i). Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, means the period from (and including) an Interest Payment Date or (in relation to CMS-Linked Interest Notes) the Period End Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or (in relation to CMS-Linked Interest Notes) the next (or first) Period End Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

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

(2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

If a Business Day Convention is specified in the applicable Final Terms, the number of days for calculating the amount of interest payable in respect of the relevant Interest Period shall also be adjusted in accordance with such Business Day Convention, unless "Unadjusted" is specified in the applicable Final Terms, in which case such amount of interest shall be calculated as if the relevant Interest Payment Date were not subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

In this Condition, "**Business Day**" means a day which is both:

(A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Final Terms; and

(B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than any Additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open. In these Conditions, "**TARGET2 System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System.

(ii) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the relevant Final Terms and the provisions below relating to ISDA Determination, Screen Rate Determination or any other method of determination shall apply as specified in the relevant Final Terms. The Rate of Interest payable from time to time in respect of CMS-Linked Interest Notes will be determined in the manner specified in the relevant Final Terms and the provisions below relating to CMS-Linked Interest Rate.

(A) ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (A), "ISDA Rate" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating either (i) the 2000 ISDA Definitions (as amended and updated as at the Issue Date of the First Tranche of the Notes (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc. or (ii) the 2006 ISDA Definitions (as amended and updated as at the Issue Date of the First Tranche of the Notes (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.), as specified in the applicable Final Terms, (the "**ISDA Definitions**") and under which:

(1) the Floating Rate Option is as specified in the applicable Final Terms;

(2) the Designated Maturity is the period specified in the applicable Final Terms; and

(3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London interbank offered rate (LIBOR) or on the Euro-zone interbank offered rate (EURIBOR), the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms.

For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity" and "Reset Date" have the meanings given to those terms in the ISDA Definitions. If the ISDA Rate cannot be determined as described above, the adjustment rules set out in the ISDA Definitions will apply. When this sub-paragraph (A) applies, in respect of each relevant Interest Period the Calculation Agent will be deemed to have discharged its obligations under Condition 5(b)(iv) in respect of the determination of the Rate of Interest if it has determined the Rate of Interest in respect of such Interest Period in the manner provided in this sub-paragraph (A).

(B) Screen Rate Determination

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

(1) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(2) in any other case, the Agent will determine the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(3) if, in the case of (1) above, such rate does not appear on that page or, in the case of (2) above, fewer than three such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable:

(A) the Issuer or an agent selected by the Issuer will request the principal Relevant Financial Centre office of each of the Reference Banks to provide to the Agent a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and

(B) the Agent will determine the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of such quotations;

(4) if fewer than two such quotations as referred to in (3) above are provided as requested, the Agent will determine the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates as communicated to (and at the request of) the Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Relevant Time on the relevant Interest Determination Date in the Relevant Financial Centre of the Specified Currency, deposits in the Specified Currency for the relevant Interest Period by leading banks in the Relevant Financial Centre of the Specified Currency or, if fewer than two of the Reference Banks provide the Agent with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Interest Period, at which, at approximately the Relevant Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Agent it is quoting to leading banks in the Relevant Financial Centre of the Specified Currency;

(5) If, in the case of 2 above, five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations)

and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; provided, however, that if the 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 the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

In this Condition B, the expression "**Reference Banks**" means, in the case of (1) above, those banks whose offered rates were used to determine such quotation when such quotation last appeared on the Relevant Screen Page and, in the case of (2) above, those banks whose offered quotations last appeared on the Relevant Screen Page when no fewer than three such offered quotations appeared.

(C) CMS-Linked Interest Rate

Where CMS-Linked Interest Rate is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be determined as set out below according to which of the following Reference Rates is specified in the applicable Final Terms as being applicable and;

(1) where CMS Reference Rate is specified as the Reference Rate in the applicable Final Terms, the Rate of Interest shall be determined by the Calculation Agent by reference to the following formula:

CMS Rate + Margin

(2) where CMS Steepener Rate is specified as the Reference Rate in the applicable Final Terms, the Rate of Interest shall be determined by the Calculation Agent by reference to the following formula:

(Leverage 1 x CMS Rate 1) – (leverage 2 x CMS Rate 2) + Margin

(3) where Leverage CMS Reference Rate is specified as the Reference Rate in the applicable Final Terms, the Rate of Interest shall be determined by the Calculation Agent by reference to the following formula:

Leverage 1 x CMS Rate + Margin

(4) where CMS Reference Rate Spread is specified as the Reference Rate in the applicable Final Terms, the Rate of Interest shall be determined by the Calculation Agent by reference to the following formula:

CMS Rate 1 – CMS Rate 2 + Margin

(5) where Leveraged CMS Reference Rate Spread is specified as the Reference Rate in the applicable Final Terms, the Rate of Interest shall be determined by the Calculation Agent by reference to the following formula:

Leverage 1 x (CMS Rate 1 - CMS Rate 2) + Margin

"**CMS Rate**" means the applicable swap rate for CMS swap transactions, in the Reference Currency with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Relevant Screen Page in respect of the CMS Rate as at the Specified Time on the Period End Date in question, all as determined by the Calculation Agent. If the Relevant Screen Page is not available, the Issuer or an agent selected by the Issuer shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its quotation for the Relevant Swap Rate (as expressed as a percentage rate per annum) at approximately the Specified Time on the Period End Date in question. If two or more of the Reference Banks provide the Calculation Agent with such quotations, the CMS Rate for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the quotations, eliminating, where there are more than two quotations available, the highest (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If on any Period End Date one only or none of the Reference Banks provides the Calculation Agent with such quotation as provided in the preceding paragraph, the CMS Rate shall be the CMS Rate last determined in relation to the Notes in respect of the immediately preceding Interest Period;

"**CMS Rate 1**" means the applicable swap rate for CMS swap transactions, in the Reference Currency with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Relevant Screen Page in respect of the CMS Rate 1 as at the Specified Time on the Period End Date in question, all as determined by the Calculation Agent. If the Relevant Screen Page is not available, the Issuer or an agent selected by the Issuer shall request each of the Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate (as expressed as a percentage rate per annum) at approximately the Specified Time on the Period End Date in question. If two or more of the Reference Banks provide the Calculation Agent with such quotations, the CMS Rate for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the quotations, eliminating, where there are more than two quotations available, the highest (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If on any Period End Date one only or none of the Reference Banks provides the Calculation Agent with such quotation as provided in the preceding paragraph, the CMS Rate shall be the CMS Rate 1 last determined in relation to the Notes in respect of the immediately preceding Interest Period;

"**CMS Rate 2**" means the applicable swap rate for CMS swap transactions, in the Reference Currency with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Relevant Screen Page in respect of the CMS Rate 2 as at the Specified Time on the Period End Date in question, all as determined by the Calculation Agent. If the Relevant Screen Page is not available, the Issuer or an agent selected by the Issuer shall request each of the Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate (as expressed as a percentage rate per annum) at approximately the Specified Time on the Period End Date in question. If two or more of the Reference Banks provide the Calculation Agent with such quotations, the CMS Rate for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the quotations, eliminating, where there are more than two quotations available, the highest (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If on any Period End Date one only or none of the Reference Banks provides the Calculation Agent with such quotation as provided in the preceding paragraph, the CMS Rate shall be the CMS Rate 2 last determined in relation to the Notes in respect of the immediately preceding

Interest Period;

"**Designated Maturity**" means the time period specified as such in the Final Terms in relation to CMS-Linked Interest Notes;

"**Period End Dates**" means each date specified in the relevant Final Terms as such, provided that if no Period End Dates are so specified, each Interest Payment Date.

"**Reference Banks**" means, in relation to CMS Rates (i) where the Reference Currency is euro, the principal Eurozone office of five leading swap dealers in the inter-bank market, (ii) where the Reference Currency is Sterling, the principal London office of five leading swap dealers in the London inter-bank market, (iii) where the Reference Currency is United States dollars, the principal New York City office of five leading swap dealers in the New York City inter-bank market, or (iv) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five leading swap dealers in the Relevant Financial Centre inter-bank market, in each case as selected by the Issuer or an agent appointed by the Issuer;

"**Reference Currency**" means each currency specified as such in the applicable Final Terms;

"**Relevant Swap Rate**" means:

(i) where the Reference Currency is euro, the mid-market annual swap rate determined on the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters (as defined in the 2006 ISDA Definitions) with a Designated Maturity determined by the Calculation Agent after consultation with the Issuer by reference to standard market practice and/or 2006 ISDA Definitions;

(ii) where the Reference Currency is Sterling, the mid-market semi-annual swap rate determined on the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for-floating Sterling interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent (A) if the Designated Maturity is greater than one year, to GBP-LIBOR-BBA (as defined in the 2006 ISDA Definitions) with a Designated Maturity of six months or (B) if the Designated Maturity is one year or less, to GBP-LIBOR-BBA with a Designated Maturity of three months;

(iii) where the Reference Currency is United States dollars, the mid-market semi-annual swap rate determined on the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating United States dollar interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the 2006 ISDA Definitions) with a Designated Maturity of three months; and

(iv) where the Reference Currency is any other currency, the Reference Currency Mid-market Swap Rate as set out in the relevant Final Terms; and

"**Representative Amount**" means an amount that is representative for a single transaction in the relevant market at the relevant time.

(iii) Minimum and/or Maximum Rate of Interest

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then the Rate of Interest for such Interest Period shall in no event be less than such Minimum Rate of Interest and/or if it specifies a Maximum Rate of Interest for any Interest Period, then the Rate of Interest for such Interest Period shall in no event be greater than such Maximum Rate of Interest. Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

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

The Agent will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. The Agent will calculate the amount of interest (each an "**Interest Amount**") payable on the Floating Rate Notes and CMS-Linked Interest Notes in respect of the Calculation Amount for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest subunit of the Specified Currency), half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention 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.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with this Condition 5(b):

(i) if "Actual/Actual (ISDA)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of:

(A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and

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

(ii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(iii) if "Actual/365 (sterling)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(iv) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(v) if "30/360", "360/360" or "Bond Basis" is specified, the number of days in the Calculation Period in respect of which payment is being made 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_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" 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_1 is greater than 29, in which case D_2 will be 30; and

(i) if "30E/360" or "Eurobond Basis" is so specified, the number of days in the Interest 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_1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M_2" is the calendar month, expressed as number, in which the day immediately following the last day included in the Interest Period falls;

"D_1" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D_2 will be 30;

(c) Accrual of Interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(1) the date on which all amounts due in respect of such Note have been paid; and

(2) five days after the date on which the full amount of the moneys payable has been received by the Calculation Agent and notice to that effect has been given to the Noteholders in accordance with Condition 14 or individually.

(d) Notification of Rate of Interest and Interest Amount

This Condition will be applicable (as appropriate) in relation to all Notes which are interest-bearing.

The Agent or, if applicable, the Calculation Agent will cause each Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date, or any other item related to the calculation of interest, determined or calculated by it to be notified to the Agent who will cause them to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes and CMS-Linked Interest Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes and CMS-Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 14. If the Calculation Amount is less than the minimum Specified Denomination the Calculation 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. For the purposes of this paragraph, the expression "**London Business Day**" means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business in London.

(e) Certificates to be Final

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

6. Payments

(a) Method of Payment

Subject as provided below:

(i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars, shall be Melbourne); and

(ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8.

(b) Presentation of Notes and Coupons

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent (in the case of any payments to be made in U.S. dollars, outside the United States (as defined below).

Fixed Rate Notes in definitive form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due. Upon any Fixed Rate Note becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons in respect of any such Talons will be made or issued, as the case may be.

Upon the date on which any Floating Rate Note, CMS-Linked Interest Note or Long Maturity Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. Where any such Note is presented for redemption without all unmatured Coupons or Talons relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require. A "Long Maturity Note" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon

attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

Payments of principal and interest (if any) in respect of Notes represented by any global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes and otherwise in the manner specified in the relevant global Note against presentation or surrender, as the case may be, of such global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of such global Note, distinguishing between any payment of principal and any payment of interest, will be made in respect of a CGN on such global Note by such Paying Agent and in respect of an NGN pro rata in the records of Euroclear and Clearstream, Luxembourg. Such record in respect of a CGN shall be prima facie evidence and such records in respect of an NGN shall be conclusive evidence that the payment in question has been made.

The holder of a global Note shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such global Note. No person other than the holder of such global Note shall have any claim against the Issuer in respect of any payments due on that global Note.

Notwithstanding the foregoing, U.S. dollar payments of principal and interest in respect of the Notes will be made at the specified office of a Paying Agent in the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)) if:

(i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;

(ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and

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

(c) Payment Day

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes (unless otherwise specified in the applicable Final Terms), "**Payment Day**" means any day which (subject to Condition 9) is both:

(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

(A) in the case of definitive Notes only: the relevant place of presentation; and

(B) any Additional Financial Centre specified in the applicable Final Terms; and

(ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation (in the case of definitive Notes only) and any Additional Financial Centre and which if the Specified Currency is Australian or New Zealand Dollars shall be Melbourne and Wellington, respectively or (2) in relation to any sum payable in euro, a day on which the TARGET 2 System is open.

(d) Interpretation of Principal and Interest

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

(i) any additional amounts which may be payable with respect to principal under Condition 8;

(ii) the Final Redemption Amount of the Notes;

(iii) the Early Redemption Amount of the Notes;

(iv) the Optional Redemption Amount(s) (if any) of the Notes;

(v) in relation to Zero Coupon Notes, the Amortised Face Amount; and

(vi) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes,

and shall be deemed to exclude any amount written down or converted (if any) pursuant to Condition 7(j).

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8**.**

7. Redemption and Purchase

(a) At Maturity

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

(b) Redemption for Tax Reasons

Unless otherwise specified in the applicable Final Terms, Notes may be redeemed at the

option of the Issuer in whole, but not in part, at any time (in the case of Notes other than Floating Rate Notes or CMS-Linked Interest Notes) or on any Interest Payment Date (in the case of Floating Rate Notes or CMS-Linked Interest Notes), on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable) if, on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8, as a result of any change in, or amendment to, the laws or regulations of any Relevant Jurisdiction (as defined in Condition 8) or any political subdivision or any authority of or in any Relevant Jurisdiction having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes.

Further, if the Subordinated Notes qualify as Tier 2 Notes, the Issuer must (i) obtain the prior written permission of the Competent Authority provided that, at the relevant time, such permission is required pursuant to Article 77 CRD IV Regulation and (ii) have demonstrated to the satisfaction of the Competent Authority that the Issuer complies with Article 78 CRD IV Regulation, which may include the replacement of the Subordinated Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer. The Competent Authority may only permit the Issuer to redeem the Subordinated Notes at any time within five years after the Issue Date if, without prejudice to this Condition 7(b), there is a change in the applicable tax treatment of the Subordinated Notes which the Issuer demonstrates to the satisfaction of the Competent Authority is material and was not reasonably foreseeable at the time of their issuance.

Each Note redeemed pursuant to this Condition 7(b) will be redeemed at its Early Redemption Amount referred to in paragraph (f) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

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

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having given:

(i) not less than 7 days' notice, or such other period of notice as is specified in the applicable Final Terms, to the Noteholders in accordance with Condition 14; and

(ii) not less than 7 days before the giving of the notice referred to in (i), notice to the Agent,

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

Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not higher than the Maximum Redemption Amount, both as indicated (if at all) in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear, Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount at their discretion) and/or Euroclear Netherlands, in the case of Redeemed Notes represented by a global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 7 days prior to the date fixed for redemption. The

aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant global Note will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this subparagraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least 5 days prior to the Selection Date.

Further, if the Subordinated Notes qualify as Tier 2 Notes, the Issuer must (i) obtain the prior written permission of the Competent Authority provided that, at the relevant time, such permission is required pursuant to Article 77 CRD IV Regulation and (ii) have demonstrated to the satisfaction of the Competent Authority that the Issuer complies with Article 78 CRD IV Regulation, which may include the replacement of the Subordinated Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer.

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

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

To exercise the right to require redemption of this Note its holder must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg or, if applicable, Euroclear Netherlands, deliver at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly signed and completed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a "**Put Notice**") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control. If this Note is represented by a global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg or, if applicable, Euroclear Netherlands, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent and the Paying Agent in Luxembourg of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg or, if applicable, Euroclear Netherlands (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them or common safekeeper or, if applicable, Euroclear Netherlands to the Agent and the Paying Agent in Luxembourg by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg or, if applicable, Euroclear Netherlands from time to time and, if this Note is represented by a global Note, at the same time present or procure the presentation of the relevant global Note to or to the order of the Agent for notation (if applicable) or for a record of such redemption to be made in the records of Euroclear and Clearstream, Luxembourg.

(e) Redemption, Substitution and Variation for regulatory purposes of Subordinated Notes

If Regulatory Call is specified in the applicable Final Terms and upon the occurrence of a Capital Event, the Issuer may at its option, subject to (i) the prior written permission of the Competent Authority provided that at the relevant time such permission is required pursuant to Article 77 CRD IV Regulation and (ii) the Issuer demonstrating to the satisfaction of the Competent Authority that the Issuer complies with Article 78 CRD IV Regulation, which may include the replacement of the Subordinated Notes with own funds instruments of equal or higher quality on terms that are sustainable for the income capacity of the Issuer, and having given not less than 30 nor more than 60 days' notice or such other period of notice as is specified in the applicable Final Terms (which notice shall be irrevocable) to the Noteholders redeem at any time (in the case of Subordinated Notes other than Floating Rate Notes or

CMS-Linked Interest Notes) or on any Interest Payment Date (in the case of Floating Rate Notes or CMS-Linked Interest Notes), in accordance with the Conditions, all, but not some only, of the Subordinated Notes at the Optional Redemption Amount specified in the applicable Final Terms together with accrued interest (if any) to but excluding the date of redemption.

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

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

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

In these Conditions:

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

"**CRD IV**" means together, (i) the CRD IV Directive, (ii) the CRD IV Regulation and (iii) the Future Capital Instruments Regulations;

"**CRD IV Directive**" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (as amended from time to time);

"**CRD IV Regulation**" means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (as amended from time to time);

"**Future Capital Instruments Regulations**" means any regulatory capital rules implementing the CRD IV Regulation or the CRD IV Directive which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards or implementing technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Competent Authority, the European Banking Authority or other relevant authority, which are applicable to the Issuer (on a solo or consolidated basis) and which lay down the requirements to be fulfilled by financial instruments for inclusion in the regulatory capital of the Issuer (on a solo or consolidated basis) as required

by (i) the CRD IV Regulation or (ii) the CRD IV Directive; and

"**Competent Authority**" means the Dutch Central Bank (*De Nederlandsche Bank N.V.*) (also referred to herein as the DNB) and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer, as determined by the Issuer.

(f) Early Redemption Amounts

Subject to paragraph (j) below, for the purpose of paragraph (b) above and Condition 10, each Note will be redeemed at its Early Redemption Amount calculated as follows:

(i) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or

(ii) in the case of a Zero Coupon Note, at an amount (the "**Amortised Face Amount**") equal to the product of:

(A) the Reference Price; and

(B) the sum of the figure 1 and the Accrual Yield, raised to the power of x, where "x" is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360, or on such other calculation basis as may be specified in the applicable Final Terms; and

(iii) in any other case, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at their nominal amount.

(g) Purchases

The Issuer or any of its subsidiaries may at any time purchase Notes at any price in the open market or otherwise. Such Notes may be held, re-issued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation. If the Subordinated Notes to be purchased are Notes that qualify as Tier 2 Notes, the Issuer must (i) obtain the prior written permission of the Competent Authority provided that, at the relevant time, such permission is required to be given pursuant to article 77 CRD IV Regulation and (ii) have demonstrated to the satisfaction of the Competent Authority that the Issuer complies with article 78 CRD IV Regulation (or any equivalent or substitute provision under applicable banking regulation), which may include the replacement of the Subordinated Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer, and furthermore provided that any such purchase may not take place within 5 years after the Issue Date unless permitted under applicable laws and regulations (including CRD IV as then in effect).

(h) Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to paragraph (g) above (together with all unmatured Coupons cancelled therewith) shall be forwarded to the Agent and cannot be re-issued or resold.

(i) Late Payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c), (d) or (e) above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in

paragraph (f)(ii) above as though the references therein to the date fixed for the redemption or

the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

(i) The date on which all amounts due in respect of such Zero Coupon Note have been paid; and

(ii) Five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders, in accordance with Condition 14**.**

(j) Statutory Loss Absorption of Subordinated Notes

Subordinated Notes may become subject to the determination by the Resolution Authority or the Issuer (following instructions from the Resolution authority) that all or part of the nominal amount of the Subordinated Notes, including accrued but unpaid interest in respect thereof, must be written down, reduced, redeemed and cancelled or converted into common equity Tier 1 instruments or otherwise be applied to absorb losses, all as prescribed by the Applicable Resolution Framework ("**Statutory Loss Absorption**"). Upon any such determination, (i) the relevant proportion of the outstanding nominal amount of the Subordinated Notes subject to Statutory Loss Absorption shall be written down or converted into common equity Tier 1 instruments or otherwise be applied to absorb losses, as prescribed by the Applicable Resolution Framework, (ii) such Statutory Loss Absorption shall not constitute an Event of Default and (iii) the Subordinated Noteholders will have no further claims in respect of the amount so written down or subject to conversion or otherwise as a result of such Statutory Loss Absorption.

Upon any write down or conversion of a proportion of the outstanding nominal amount of the Subordinated Notes, any reference in these Conditions to principal, nominal amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount of the Subordinated Notes shall be deemed to be to the amount resulting after such write down or conversion.

In addition, subject to the determination by the Resolution Authority and without the consent of the Noteholders, the Subordinated Notes may be subject to other resolution measures as envisaged under the Applicable Resolution Framework, such as replacement or substitution of the Issuer, transfer of the Subordinated Notes, expropriation of Noteholders, modification of the terms of the Subordinated Notes and/or suspension or termination of the listings of the Subordinated Notes. Such determination, the implementation thereof and the rights of Noteholders shall be as prescribed by the Applicable Resolution Framework, which may include the concept that, upon such determination, no Noteholder shall be entitled to claim any indemnification or payment in respect of any tax or other consequences arising from any such event and that any such event shall not constitute an Event of Default.

In these Conditions:

"**Applicable Resolution Framework**" means any relevant laws and regulations applicable to the Issuer at the relevant time pursuant to, or which implement, or are enacted within the context of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council, or any other resolution or recovery rules which may from time to time be applicable to the Issuer including Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010; and

"**Resolution Authority**" means the European Single Resolution Board, the Dutch Central Bank (*De Nederlandsche Bank N.V.*) (also referred to herein as the DNB) or such other regulatory authority or governmental body having the power to impose Statutory Loss Absorption on the Subordinated Notes pursuant to the Applicable Resolution Framework.

8. Taxation

All payments of principal and interest in respect of the Notes and Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any Relevant Jurisdiction or any political subdivision or any authority of or in any Relevant Jurisdiction having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer will depending on which provision is specified in the applicable Final Terms either:

(a) make the required withholding or deduction of such taxes, duties, assessments or governmental charges for the account of the holders of the Notes or Coupons, as the case may be, and shall not pay any additional amounts to the holders of the Notes or Coupons; or

(b) pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

(i) presented for payment by or on behalf of a Noteholder or Couponholder who is liable for such taxes or duties in respect of such Note or Coupon by reason of that Noteholder or Couponholder having some connection with a Relevant Jurisdiction other than the mere holding of such Note or Coupon or the receipt of principal or interest in respect thereof; or

(ii) presented for payment by or on behalf of a Noteholder or Couponholder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or

(iii) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 6(c)).

The Issuer shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**FATCA withholding**") as a result of a holder, beneficial owner or an intermediary that is not an agent of the Issuer not being entitled to receive payments free of FATCA withholding. Neither the Issuer, the Paying Agent nor any other person will be required to pay additional amounts or otherwise indemnify an investor for any such FATCA withholding deducted or withheld by the Issuer, the paying agent or any other party.

As used herein, the "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 13.

As used herein, "**Relevant Jurisdiction**" in relation to the Issuer means The Netherlands.

9. Prescription

The Notes and Coupons will become void unless claims in respect of principal and /or interest are made within a period of five years after the date on which such payment first became due.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6(b) or any Talon which would be void pursuant to Condition 6(b).

10. Events of Default

(a) In relation to Senior Notes only, if any one or more of the following events (each an "**Event of Default**") shall have occurred and be continuing:

(i) default is made for more than 14 days in the payment of interest or 7 days in the payment of principal in respect of the Notes; or

(ii) the Issuer fails to perform or observe any of its other obligations under the Notes and such failure has continued for the period of 30 days next following the service on the Issuer (as the case may be) of notice requiring the same to be remedied; or

(iii) if

(a) any other indebtedness for borrowed money of the Issuer, being indebtedness for borrowed money amounting in aggregate to at least EUR 50,000,000 or its equivalent in any other currency, either:

(i) shall become repayable prior to the due date for payment thereof by reason of default by the Issuer; or

(ii) shall not be repaid at maturity as extended by any days of grace permitted by law, any provision of the relevant instrument or any agreement of the parties to such instrument; or

(b) any guarantee or indemnity given by the Issuer, in respect of a sum amounting in aggregate to at least EUR 50,000,000 or its equivalent in any other currency, in respect of indebtedness for borrowed money of any party shall not be honoured when due and called upon unless remedied by the Issuer within 15 business days of receipt of a written notice from a borrowing party substantiating a default under a borrowing agreement; or

(iv) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer, otherwise than for the purposes of or pursuant to a consolidation, amalgamation, merger or reconstruction where either:

(a) prior consent thereto has been given by an Extraordinary Resolution of the Noteholders; or

(b) under which the continuing entity effectively assumes all of the rights and obligations of the Issuer; or

(v) if:

(a) the Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due; or

(b) the Issuer is deemed unable to pay its debts pursuant to or for the purposes of any applicable law in its jurisdiction of incorporation or is adjudicated or found bankrupt or insolvent; or

(vi) if:

(a) proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws; or

(b) an application is made for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to the whole or a material part of the undertaking or assets; or

(c) an encumbrancer takes possession of the whole or a material part of the undertaking or assets of the Issuer; or

(d) a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a material part of the undertaking or assets of the Issuer and in any such case (other than the appointment of an administrator) is not discharged within 14 days; or

(vii) if:

(a) the Issuer initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganization or other similar laws; or

(b) the Issuer makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors); or

(c) any meeting is convened to consider a proposal for an arrangement or composition with the creditors generally (or any class of the creditors) of the Issuer;

then any Noteholder may, by written notice to the Issuer at the specified office of the Agent, effective upon the date of receipt thereof by the Agent, declare the Note held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 7(f)) together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

(b) In relation to Subordinated Notes, if either or both of the following events shall have occurred and are continuing:

(i) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer, otherwise than for the purposes of or pursuant to a consolidation, amalgamation, merger or reconstruction where either:

(a) prior consent thereto has been given by an Extraordinary Resolution of the Noteholders; or

(b) under which the continuing entity effectively assumes all of the rights and obligations of the Issuer; or

(ii) if the Issuer is declared bankrupt, or a declaration in respect of the Issuer is made under Article 3:163(1)(b) of the FMSA,

this will constitute an event of default in respect of Subordinated Notes. Subject to the Issuer obtaining prior written permission from the Competent Authority in the case of Subordinated Notes qualifying as Tier 2 Notes (provided that at the relevant time such permission is required), then any Noteholder of Subordinated Notes may, by written notice to the Issuer at the specified office of the Agent, effective upon the date of receipt thereof by the Agent, declare the Subordinated Note(s) held by such Noteholder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 7(f)), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

11. Replacement of Notes, Coupons and Talons

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

12. Agent and Paying Agents

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

(i) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange;

(ii) there will at all times be a Paying Agent with a specified office in a city in continental Europe; and

(iii) there will at all times be an Agent.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 6(b). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14**.**

13. Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

14. Notices

(a) *Notes in Global Form*: so long as any Tranche of Notes is represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to Noteholders of that Tranche will, save where another means of effective communication has been specified herein or in the applicable Final Terms, be deemed to be validly given if given by delivery of the relevant notice to the clearing system for communication by it to the accountholders in respect of the relevant Notes. If such delivery is not practicable, notices will be deemed to be validly given if published in a leading English language daily newspaper having general circulation in the European Union (which is expected to be the Financial Times). Notices to Noteholders of any Tranche may, at the sole discretion of the Issuer and solely for informational purposes, also be published on the website of the Issuer and/or of any other entity specified in the applicable Final Terms for this purpose.

(b) *Notes admitted to Listing, Trading and/or Quotation*: so long as any Tranche of Notes is admitted to listing, trading and/or quotation by any competent authority, stock exchange or quotation system, notices to Noteholders of that Tranche will, save where another means of effective communication has been specified herein or in the applicable Final Terms, be deemed to be validly given if:

(i) in the case a Tranche of Notes admitted to listing and trading on Euronext Amsterdam (so long as such Notes are admitted to listing and trading on Euronext Amsterdam and any applicable laws, rules or regulations so require), published in such manner as may be required by applicable laws, rules and regulations from time to time; and/or

(ii) in the case of a Tranche of Notes admitted to listing, trading and/or quotation by any other competent authority, stock exchange and/or quotation system, if published in such manner as may be required by applicable laws, rules and regulations from time to time;

(c) *In any other cases*: where both Condition 14(a) and Condition 14(b) are inapplicable, notices will, save where another means of effective communication has been specified herein or in the applicable Final Terms, be deemed to be validly given if published in a leading daily newspaper having general circulation in the European Union (which is expected to be the Financial Times).

(d) *General*

For the avoidance of doubt, where both Condition 14(a) and Condition 14(b) apply, notices must be given in the manner specified in Condition 14(a) and in the manner specified in Condition 14(b) in order to be deemed to have been validly given. Any notice given in accordance with Condition 14(a) or Condition 14(b) above will be deemed to have been validly given on the date and time of first such notification (or, if required to be notified in more than one manner, on the first date on which notification shall have been made in all required manners). Couponholders will be deemed for all purposes to have notice of the contents of any notice validly given to Noteholders in accordance with this Condition 14 (*Notices*).

(e) *Notices by Noteholders*

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of Notes in definitive form) with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a global Note, such notice may be given by any holder of a Note to the Agent via Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, as the case may be, may approve for this purpose.

15. Meetings of Noteholders, Modification and Waiver

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or certain provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders holding not less than five per cent. In nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes and Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereof, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or Coupons), the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

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

(i) any modification (except as mentioned above) of the Agency Agreement which is not materially prejudicial to the interests of the Noteholders; or

(ii) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated; or

(iii) in accordance with Condition 7(e), substitution of the Subordinated Notes or variation of the terms of the Subordinated Notes in order to ensure that such substituted or varied Subordinated Notes continue to qualify as Tier 2 Notes under CRD IV or such other regulatory capital rules applicable to the Issuer at the relevant time.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

Any amendment to Condition 7(j) or any other amendment which otherwise impacts the eligibility of the Subordinated Notes for eligibility as Tier 2 Notes is subject to the prior written permission of the Competent Authority and/or the relevant Resolution Authority (provided that, at the relevant time, such permission is required).

16. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders or Couponholders to create and issue further Notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

17. Governing Law and Submission to Jurisdiction

The Agency Agreement, the Notes and the Coupons and any non-contractual obligation arising out of or in connection thereto, are governed by, and shall be construed in accordance with, the laws of The Netherlands including the choice of court agreement as set out below.

The Issuer submits for the exclusive benefit of the Noteholders and the Couponholders to the jurisdiction of the courts of Amsterdam, The Netherlands, judging in first instance, and its appellate courts. Without prejudice to the foregoing, the Issuer further irrevocably agrees that any suit, action or proceedings arising out of or in connection with the Agency Agreement, the Notes and the Coupons

may be brought in any other court of competent jurisdiction (including any proceedings relating to any non-contractual obligations arising out of or in connection thereto).

FORM OF FINAL TERMS

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

[Date]

LeasePlan Corporation N.V.
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

under the EUR 15,000,000,000
Debt Issuance Programme

[The 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 in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so in:

(i) 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) those Public Offer Jurisdictions mentioned in Paragraph 9 of Part B below, provided such person is a Dealer or Manager as such term is defined in the Base Prospectus and that such offer is made during the Offer Period specified for such purpose therein and that any conditions relevant to the use of the Base Prospectus are complied with.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances].[11]

[The Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of 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].[12]

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the "**Conditions**") in the Base Prospectus dated 10 June 2016 [and the supplement[s] to it dated [*date*] [and [*date*]] which [together] constitute[s] a base prospectus for the purposes of 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 offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at and copies may be obtained at the specified office of the Issuer and the Paying Agent.]

[The following alternative language applies if the first tranche of an issue which is being increased was issued under a base prospectus with an earlier date. N.B. when using a post-1 July 2012 approved base prospectus to tap a previous issue under a pre-1 July 2012 approved base prospectus, the final terms in the post-1July 2012 base prospectus will take different form due to the more restrictive approach to final terms. The Conditions of the original issue being tapped should be reviewed to ensure that they would not require the final terms documenting the further issue to include information which is no longer permitted in final terms. Where the final terms documenting the further issue would need to include such information, it will not be possible to tap using final terms and a drawdown prospectus (incorporating the original Conditions and final terms) will instead need to be prepared.]

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[11] Consider to include this legend where a Public Offer of Notes is anticipated.

[12] Consider to include this legend where only an exempt offer of Notes is anticipated.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Terms and Conditions of the Notes (the "**Conditions**") in the Base Prospectus dated [original date] [as supplemented by a supplement dated [*date*]] which are incorporated by reference in the Base Prospectus dated [current date]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated [current date], save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] [as supplemented by a supplement dated [*date*]] and are attached hereto.] Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] and [current date]. The Base Prospectuses are available for viewing at and copies may be obtained at the specified office of the Issuer and the Paying Agent.] *[The Base Prospectus with the 'original date' must be approved by the competent authority pursuant to the Prospectus Directive.]*

The expression **Prospectus Directive** means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measures in the Relevant Member State.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]

[When adding any other final terms or information consideration should be given as to whether such final terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]

1.	(i)	Issuer:	LeasePlan Corporation N.V.
2.	(i)	Series Number:	[ ]
	(ii)	Tranche Number:	[ ]
	(iii)	Date on which the Notes become fungible:	[Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [i*nsert earlier Tranches*] on [[*insert date*]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 23 below [which is expected to occur on or about [*insert date*]].]
3.	Specified Currency or Currencies:		[ ]
4.	Aggregate Nominal Amount:		
	–	Series:	[ ]
	–	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 Denominations:	[ ] *(All Subordinated Notes will have a minimum Specified Denomination of at least EUR 100,000 (or its equivalent in any other currency)).*
	(ii)	Calculation Amount:	[ ] *(If only one Specified Denomination, the Specified Denomination. If more than one Specified Denomination insert the largest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*

7.	(i)	Issue Date:	[ ]
	(ii)	Interest Commencement Date:	[*specify*/Issue Date/Not Applicable]
8.	Maturity Date:		[Fixed rate – *specify date*/ Floating rate/CMS-Linked rate – Interest Payment Date falling in or nearest to [specify month and year]]
9.	Interest Basis:		[[ ] per cent. Fixed Rate] [[*specify Reference Rate*] +/– [ ] per cent. Floating Rate] [CMS-Linked Interest Notes] [Zero Coupon] (See paragraph [14/15/16] below)
10.	Redemption/Payment Basis:		Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100] per cent. of their nominal amount (further particulars specified below)
11.	Change of Interest Basis:		[In respect of the period from (and including) the Interest Commencement Date up to (but excluding) [•], [[•] per cent. per annum Fixed Rate /[*specify Reference Rate*] +/– [ ] per cent. per annum Floating Rate] and from (and including) [•] up to (but excluding) [•], [[•] per cent. per annum Fixed Rate /[*specify Reference Rate*] +/– [ ] per cent. per annum Floating Rate] (see paragraphs 14 and 15 for further details)/Not Applicable]
12.	Put/Call Options:		[Investor Put] [Issuer Call] [(See paragraph [14/15/16] below)]
13.	(i)	Status of the Notes:	[Senior Notes / Subordinated [Tier 2] Notes]
	[(ii)]	[Date [Board] approval for issuance of Notes obtained:	[ ] [and [ ], respectively]] *(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)]*

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	**Fixed Rate Note Provisions**		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Rate(s) of Interest:	[ ] per cent. per annum [from (and including) [ ] up to (but excluding) [ ]] [the aggregate of [ ] per cent. and the Mid Swap Rate per annum] payable in arrear on each Interest Payment Date
	(ii)	Interest Payment Date(s):	[ ] in each year [up to and including the Maturity Date] [in each case subject to adjustment in accordance with the [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [and [ ] as Additional Business Centre(s) for the definition of "Business Day"][, Unadjusted]] *(NB: This will need to be amended in the case of long or short coupons)*
	(iii)	Fixed Coupon Amount(s):	[ ] per Calculation Amount

	(iv)	Broken Amount(s):	[[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]/Not Applicable]
	(v)	Day Count Fraction:	[30/360 or Actual/Actual (ICMA)]
	(vi)	[Determination Dates:	[[ ] in each year/ Not Applicable] *(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)*]
15.	**Floating Rate/CMS-Linked Interest Note Provisions**		[Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
	(i)	Specified Period/Specified Interest Payment Dates:	[ ]
	(ii)	Specified Interest Payment Date:	[Not Applicable/[•] in each year, subject to adjustment in accordance with the Business Day Convention set out in (iv) below/ not subject to any adjustment as the Business Day Convention set out in (iv) below is specified to be Not Applicable]
	(iii)	First Interest Payment Date:	[ ]
	(iv)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Not Applicable]
	(v)	Unadjusted:	[No/Yes/Not applicable] *(Only applicable in case a Business Day Convention applies. Insert "No" if the amount of interest payable in respect of the relevant Interest Period should also be adjusted in accordance with the applicable Business Day Convention. Insert "Yes" if the amount of interest should be calculated as if the relevant Interest Payment Date were not subject to adjustment in accordance with the applicable Business Day Convention.)*
	(vi)	Additional Business Centre(s):	[*specify*/Not Applicable]
	(vii)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/CMS Rate]
	(viii)	Screen Rate Determination:	[Yes/No]
		– Reference Rate:	[*for example, LIBOR or EURIBOR*]
		– Interest Determination Date(s):	[ ] *(Second London business day prior to the start of each Interest Period if LIBOR (other than sterling or euro LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)*
		– Relevant Screen Page:	[ ] (*In the case of EURIBOR, if not Reuters EURIBOR01, ensure it is a page which shows a composite rate due to the fallback provisions in the Conditions*)

	–	Relevant Time:	[*For example, 11.00 a.m. London time (in case of LIBOR)/Brussels time (in case of EURIBOR)*]
	–	Relevant Financial Centre:	[*For example, London (in case LIBOR)/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro)(in case of EURIBOR)*]
(ix)	ISDA Determination:		[Yes/No]
	–	ISDA Definitions	[2000 ISDA Definitions/2006 ISDA Definitions]
	–	Floating Rate Option:	[ ]
	–	Designated Maturity:	[ ]
	–	Reset Date:	[ ]
(x)	CMS-Linked Interest Notes		[Yes/No]
	–	Reference Rate:	[CMS Reference Rate] / [CMS Steepener Rate] / [Leveraged CMS Reference Rate] / [CMS Reference Rate Spread] / [Leveraged CMS Reference Rate Spread] applies
	–	Period End Dates:	[•] in each year [as adjusted] in accordance with the Business Day Convention [unadjusted]
	–	Designated Maturity:	[•][For [CMS Rate 1: [•] and for CMS Rate 2 [•]]
	–	Reference Currency:	[•][For [CMS Rate 1: [•] and for CMS Rate 2 [•]]
	–	Relevant Screen Page:	ISDAFIX[•][For [CMS Rate 1: ISDAFIX[•] and for CMS Rate 2 ISDAFIX[•]]
	–	Interest Determination Date(s):	[•][For [CMS Rate 1: [•] and for CMS Rate 2 [•]]
	–	Specified Time:	[•][For [CMS Rate 1: [•] and for CMS Rate 2 [•]]
	–	Leverage 1:	[•]
	–	Leverage 2:	[•]
	–	Reference Currency Mid-market	[•]
(xi)	Margin(s):		[+/-] [ ] 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:		[Actual/Actual (ISDA) Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 30/360 30E/360 30E/360 (ISDA)]

16.	**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)	Day Count Fraction in relation to Early Redemption Amounts and late payment:	[Actual/Actual (ISDA) Actual/365 (Fixed) /Actual/365(Sterling) Actual/360 30/360 30E/360 30E/360 (ISDA)]

PROVISIONS RELATING TO REDEMPTION

17.	Issuer Call:		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Optional Redemption Date(s):	[ ]
	(ii)	Optional Redemption Amount(s):	[ ] per Calculation Amount
	(iii)	If redeemable in part:	
		(a) Minimum Redemption Amount:	[ ] per Calculation Amount
		(b) Maximum Redemption Amount:	[ ] per Calculation Amount
18.	Investor Put:		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Optional Redemption Date(s):	[ ]
	(ii)	Optional Redemption Amount(s):	[ ] per Calculation Amount
	(iii)	Notice period (if other than as set out in the Conditions):	[ ] *(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
19.	Regulatory Call:		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Minimum percentage of the outstanding nominal amount of the Notes for the purposes of Condition 7(e):	[100 per cent./*specify other*]
	(ii)	Optional Redemption Amount(s):	[ ] per Calculation Amount

	(iii) Notice period (if other than as set out in the Conditions):	[ ] days *(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
20.	Final Redemption Amount of each Note:	[ ] per Calculation Amount
21.	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default:	[ ]
22.	Variation or Substitution:	[Applicable/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23.	Form of Notes:	[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event [, and in respect of global Notes deposited with Euroclear Netherlands only in the limited circumstances as described in the Securities Giro Act (*Wet giraal effectenverkeer*) and in accordance with the rules and regulations of Euroclear Netherlands].] [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date, which only applies to Temporary Global Notes which have a denomination which does not consist of a Specified Denomination with integral multiples thereof.] [Permanent Global Note exchangeable for Definitive Notes only upon an Exchange Event[, and in respect of global Notes deposited with Euroclear Netherlands only in the limited circumstances as described in the Securities Giro Act (*Wet giraal effectenverkeer*)].]
24.	New Global Note Form:	[Applicable/Not Applicable]
25.	Additional Financial Centre(s):	[Not Applicable/ give details] (Note that this item relates to the place of payment and not interest periods for the purpose of calculating the amount of interest to which item 15(vi) relates)
26.	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	[No/Yes. As the Notes have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made.]
27.	Redenomination:	[Not Applicable/The provisions in Condition 4 apply]
28.	Whether Condition 8 (a) of the Notes applies (in which case Condition 7(b)]of the Notes will not apply) or whether Condition 8(b) and Condition 7(b) of the Notes apply:	[Condition 8(a) applies and Condition 7(b) does not apply/Condition 8(b) and Condition 7(b) apply]
29.	Calculation Agent:	[Not Applicable/*give details*]

[THIRD PARTY INFORMATION]

[(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 the Issuer:

By:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i)	Listing:	[Euronext Amsterdam / official list of the Luxembourg Stock Exchange/ other (*specify*)/None]
(ii)	Admission to trading:	[Application has been made for the Notes to be admitted to trading on [ ] with effect from [ ].] [Not Applicable.] [The [*specify Notes of previous Tranche(s)*] are admitted to trading on [ ].] *(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)***
(iii)	Estimate of total expenses related to admission to trading*:	[ ]*

2. RATINGS

Ratings: The Notes to be issued [have [not] been / are expected to be] rated:

[S & P: [ ]]

[Moody's: [ ]]

[Fitch: [ ]]

[[Other]: [ ]]

[Not Applicable.]

[and endorsed by [insert details including full legal name of credit rating agency/ies]]

[Need to include a brief explanation of the meaning of the ratings if this deviates from the explanations given in the section 'Key Features of the Programme' and has previously been published by the rating provider.]

(*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.*)

Insert one (or more) of the following options, as applicable:

[[*Insert full legal name of credit rating agency/ies*] [is]/[are] established in the EEA and [has]/[have each] applied for registration under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**), although notification of the corresponding registration decision has not yet been provided by the [relevant competent authority]]. [[*Insert full legal name of credit rating agency/ies*] [is]/[are] established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**.] [[*Insert full legal name of credit rating agency/ies*] [is]/[are] not established in the EEA and is not certified under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**").]

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 for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

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

[(i)	Reasons for the offer:	[ ] *(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from general corporate purposes (including 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.]*

5. [*Fixed Rate Notes only* – YIELD

Indication of yield:	[ ] [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. OPERATIONAL INFORMATION

ISIN Code:	[ ]
Common Code:	[ ]
Other relevant code:	[ ]
Debt Issuance Programme Number:	004439
Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):	[Not Applicable/*give name(s), address(es) and number(s)*] [*If Euroclear Netherlands is selected, and in item 21 Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date is selected, further legal advice is required.*]
Delivery:	Delivery [against/free of] payment
Names and addresses of initial Paying Agent(s):	[ ]
Names and addresses of additional Paying Agent(s) (if any):	[ ]

Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

8. DISTRIBUTION

If syndicated, names [and addresses]** of Managers [, underwriting commitments and, if partly underwritten, the portion not underwritten]**:	[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"]***
Date and other material features, if any, of Subscription Agreement**:	[Not Applicable/*specify/give details*]
Stabilisation Manager(s) (if any):	[Not Applicable/*specify*]
If non-syndicated, name [and address]** of Dealer:	[Not Applicable/*give name [and address*]]
Total commission and concession**:	[Not Applicable/[ ] per cent. of the Aggregate Nominal Amount]
U.S. Selling Restrictions:	[Reg. S Compliance Category [ ]; TEFRA C/TEFRA D/ TEFRA not applicable]

Public Offer:	[Applicable][Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph and paragraph 10 below*) [The Issuer does not consent to the use of the Base Prospectus in connection with a Public Offer of the Notes by any person.] [*General consent*: Applicable/Not Applicable] [The Issuer consents to the use of the Base Prospectus in connection with a Public Offer of the Notes during the period from [*specify date*] until [*specify date*] (the "**Offer Period**") in [specify relevant Member State(s) - which must be jurisdictions where the Base Prospectus and any supplements have been passported] ("**Public Offer Jurisdictions**") by any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) and which satisfies [the following conditions (the "**Authorised Offeror Terms**"): [set out clear and objective conditions].] [*Specific consent*: Applicable/Not Applicable] [The Issuer consents to the use of the Base Prospectus in connection with a Public Offer of the Notes during the period from [*specify date*] until [*specify date*] (the "**Offer Period**") by [insert names and addresses of financial intermediaries] ("**Authorised Offeror[s]**") in [*specify relevant Member State(s) - which must be jurisdictions where the Base Prospectus and any supplements have been passported*] ("**Public Offer Jurisdictions**") [and subject to the following conditions (the "**Authorised Offeror Terms**"): [set out clear and objective conditions], for so long as they are authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC)].]

9. TERMS AND CONDITIONS OF THE OFFER

(Delete the remaining sub-paragraphs of this paragraph if there is no public offer)

Offer Price:	[Issue Price]
Total amount of the issue/offer; if the amount is not fixed, description of the arrangements and time for announcing to the public the definitive amount of the offer	[Not Applicable/*specify*/*give details*]
Time period, including any possible amendments, during which the offer will be open and description of the application process:	[Not Applicable/*give details*]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/*give details*]
Details of the minimum and/or maximum amount of application:	[Not Applicable/*give details*]

Details of the method and time limits for paying up and delivering the Notes:	[Not Applicable/*give details*]
Manner in and date on which results of the offer are to be made public:	[Not Applicable/*give details*]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable/*give details*]
Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:	[Not Applicable/*give details*]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/*give details*]
Amount of any expenses and taxed specifically charged to the subscriber or purchaser:	[Not Applicable/*give details*]
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/*give details*]

Notes:

***** ***Delete if the minimum denomination is less than EUR 100,000***

****** ***Delete if the minimum denomination is EUR 100,000***

USE OF PROCEEDS

The net proceeds from each issue of Notes described herein will be applied by the Issuer for its general corporate purposes (which include making a profit and/or hedging certain risks). If in respect of any particular issue of Notes, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

DESCRIPTION OF LEASEPLAN CORPORATION N.V. ("LPCorp")

INTRODUCTION

LPCorp was incorporated by notarial deed of 27 February 1963 as a public limited liability company (*naamloze vennootschap*) under the laws of The Netherlands, for an indefinite period. LPCorp is registered with the Trade Register of the Dutch Chamber of Commerce under number 39037076. LPCorp has its statutory seat in Amsterdam, The Netherlands and its registered office at P.J. Oudweg 41, 1314 CJ Almere-Stad, The Netherlands. The general telephone number of LPCorp is: +31 36 539 3911.

LPCorp is a bank and is authorised by the DNB to pursue the business of a bank in The Netherlands in accordance with Article 2.11 of the FMSA. It holds shares in the respective legal entities that have been established in the various countries where LeasePlan is active. LPCorp is actively managing this international network of operating entities. In the areas of (among other things) procurement, IT development, marketing & product development, human resources, operations, car remarketing and risk management an internationally harmonised and coordinated strategy is pursued. As LPCorp is operating in many countries, its contractual obligations are subject to the laws of differing jurisdictions. Throughout this section LeasePlan is used as reference to the group of companies which is headed by LPCorp as common shareholder, and which has common business characteristics.

As at 31 December 2015, the Issuer's group employed 7,275 people and its fleet comprised over approximately 1.6 million vehicles of various brands worldwide. As at 31 December 2015, the total book value of leases and lease receivables was €17 billion.

PROFILE

LeasePlan is a global fleet management and driver mobility provider. LeasePlan operates in 32 countries across Europe, North and South America and the Asia-Pacific region and holds a leading market position based on total fleet size in the majority of LeasePlan's markets[13]. LeasePlan offers a comprehensive portfolio of fleet management solutions covering vehicle acquisition, leasing, insurance, full-service fleet management, strategic fleet selection and management advice, fleet funding, ancillary fleet and driver services and car remarketing. It capitalises on its status as a bank by centrally supporting the group's financing activities. Euro Insurances, LeasePlan's own insurance subsidiary, supports the insurance solutions offered by the group companies as part of their integrated service offer. As at 31 December 2015, LeasePlan's fleet comprised approximately 1.6 million vehicles of various brands worldwide which we believe makes LeasePlan the largest fleet and vehicle management provider by total fleet size[14]. Over the past 15 years LeasePlan has rapidly expanded into new territories and now has offices in 32 countries and alliances in the Baltic States. The group companies rank among the major players[15] in their respective local markets, and many are market leader in terms of fleet size[16].

LeasePlan launched LeasePlan Bank in 2010, an online savings bank in The Netherlands and as at September 2015, Germany aimed at retail clients. LeasePlan Bank attracted deposits of around EUR 4,994.1 million by the end of 2015 and 157,000 corporate and private clients.

LeasePlan is one of the few organisations with the broad geographical presence necessary to offer a global service in vehicle leasing and fleet and vehicle management to large multinational companies. LeasePlan International B.V., a subsidiary of LPCorp plays an important role in sales and marketing of cross border services and manages the accounts of large international customers worldwide. LPCorp's long term credit ratings are: BBB- from S&P, Baa1 from Moody's and BBB+ from Fitch.

SHAREHOLDERS

LP Group B.V. holds 100% of the shares in LPCorp. TDR Capital (United Kingdom), sovereign wealth funds ADIA (United Arab Emirates) and GIC (Singapore), pension funds PGGM (The Netherlands) and ATP (Denmark) and Broad Street Investments indirectly own 100% of the Issuer's issued and

[13] Sources: LeasePlan country data and analysis; data from local leasing and/or rental associations and external research agencies.

[14] Sources: Fleet Europe #77 June 2015 and # 64 June 2013, Fleet News FN50 2014, Annual reports, Corporate websites, Press releases.

[15] Sources: LeasePlan country data and analysis; data from local leasing and/or rental associations and external research agencies.

[16] Sources: LeasePlan country data and analysis; data from local leasing and/or rental associations and external research agencies.

outstanding share capital.

CREDIT INSTITUTION AND RISK WEIGHTING

LPCorp is a licensed bank (under Article 2:11 of the FMSA) in The Netherlands. This licence was granted by the DNB in September 1993.

As from 1 January 2014, LPCorp is subject to CRD IV. This causes material changes in the measurement of both the common equity tier 1 capital ("**CET 1 Capital**") and the total risk exposure amounts.

The increase of the CET 1 Capital from 2.2 billion as per the end of December 2014 to 2.4 billion as per 31 December 2015 is mainly the result of the inclusion of the retained earnings for the financial year 2014.

The total risk exposure amount increased from EUR 13.0 billion as per 31 December 2014 to EUR 14.0 billion at the end of 2015 under the advanced and standardised approaches that LPCorp uses for its CRD IV solvency calculations. This increase is mainly due to the increase of LeasePlan's funded fleet.

The CET 1 Capital ratio decreased from 17.2% as per 31 December 2014 to 17.0% as per 31 December 2015 which is in excess of both the internal targets and minimum requirements by the DNB.

MANAGING BOARD

The Managing Board of LPCorp currently consists of the following members:

Name	Born	Title	Member of Managing Board since
Vahid Daemi	1956	Chairman and Chief Executive Officer	1998
Guus Stoelinga	1963	Chief Financial Officer	2007
Sven-Torsten Huster	1958	Chief Operating Officer	2011
Nick Salkeld	1959	Chief Commercial Officer	2014

Outside their function in LPCorp, the Managing Board members' principal activities consist of holding several executive, non-executive and supervisory board memberships within LeasePlan.

There are no conflicts of interest between any duties to the Issuer and the private interests and/or other duties of the Managing Board members of LeasePlan. The Managing Board members avoid any form of conflicting interest in the performance of their duties. The Articles of Association of LeasePlan provide that where a Managing Board member has a direct or indirect personal conflict of interests with LeasePlan or the enterprise connected with it, he will not participate in deliberations and the decision making process with respect to such matter. The other Managing Board members will deliberate and take the decision. If the Managing Board would be incapable of adopting a resolution the decision shall be referred to and adopted by the Supervisory Board. Further rules with respect to conflicts of interests have been adopted separately in the Managing Board regulations.

Pursuant to the Dutch Corporate Governance Decree of 20 March 2009 implementing further accounting standards for annual reports ("*Besluit Corporate Governance*") and based on the listing of LeasePlan debt securities issued on regulated markets in the EU, LPCorp is subject to the lighter regime under the Corporate Governance Decree, pursuant to which the Corporate Governance Statement in the annual report (directly or incorporated by reference) must contain information on the main features of LPCorp's internal control and risk management system in relation to the financial reporting process of LPCorp and its group companies. The Corporate Governance Report in the 2015 annual report contains information on the main features of the internal control and risk management system in relation to the financial reporting process of the company and their group companies.

SUPERVISORY BOARD

J.B.M. Streppel, Chairman

Deputy Chairman of the Supervisory Board of Van Lanschot NV; non-executive director of RSA Insurance Group plc; deputy councillor of the Enterprise Chamber of the Amsterdam Court of Appeals;

and member of the Supervisory Board of Stichting Arq;

S. Orlowski

President Europe, Heineken International B.V.; Member of the Supervisory Board of Żywiec S.A.; member of the Supervisory Board of Brauw Holding International GmbH & Co KgaA.;

S. van Schilfgaarde

CFO of Royal FloraHolland; Treasurer/Secretary of the VanSchilfgaarde Stichting (a family foundation) and director of two private companies;

M. Dale

Founder of TDR Capital;

E.J.B. Vink

Head of Private Equity at PGGM;

H. von Stiegel

Executive Chairperson of Ariya Capital Group Ltd.; Independent Chairperson of CHAPS Clearing Company Ltd., UK, and Chair of the Kenya Chapter of Women Corporate Directors.

A.P.M. van der Veer - Vergeer

Member of the Supervisory Board of Alliander N.V.; board member of Stichting Preferente Aandelen Nedap N.V.; advisor to the National Register of Directors and Supervisors; member of the Advisory Board of Litifund and Chair of the Dutch Monitoring Committee Accountancy;

The Supervisory Board members avoid any form of conflicting interest in the performance of their duties. The Issuer's Articles of Association provide that where a Supervisory Board member has a direct or indirect personal conflict of interests with LeasePlan or the enterprise connected with it, the Supervisory Board member will not participate in the deliberations and the decision making process and the other Supervisory Board members will deliberate and take the decision. If the Supervisory Board would be incapable of adopting a resolution the decision shall be referred to and adopted by the general meeting of shareholders. Further rules with respect to conflict of interests have been adopted separately in the Supervisory Board Regulations.

The chosen address of the members of the Supervisory Board and the Managing Board is the registered office of LPCorp.

CAPITALISATION

The following table sets out the capitalisation of LPCorp at the dates specified below (before profit appropriation).

	31 December		
	2015	**2014**	**2013**
millions of euros			
Capital and reserves	2,629.0	2,470.9	2,255.1
Net profit	442.5	372.0	326.4
Shareholders' equity	3,071.5	2,842.9	2,581.6
Minority interests	0	0	0

RECENT DEVELOPMENTS

Any material press release, or any summary thereof, issued by LPCorp can be obtained at the registered office of LPCorp at P.J. Oudweg 41, 1314 CJ Almere-Stad, The Netherlands and from the website of LPCorp at http://www.leaseplan.com. Information on the above mentioned website does not form part of this Base Prospectus and may not be relied upon in connection with any decision to invest in the Notes.

Set forth below are the principal recent developments in the business of LPCorp since 31 December 2015:

- ***Acquisition***: On 21 March 2016, the Issuer announced the completion of the acquisition of all

of its shares from Global Mobility Holding B.V. by LP Group B.V. Following the acquisition, TDR Capital (United Kingdom), sovereign wealth funds ADIA (United Arab Emirates) and GIC (Singapore), pension funds PGGM (The Netherlands) and ATP (Denmark) and Broad Street Investments indirectly own 100% of the Issuer's issued and outstanding share capital. The total value of the transaction amounts to approximately € 3.7 billion. The acquisition has been financed with an equity investment of approximately half of the total purchase price, a mandatory convertible note of € 480 million and an offer of notes comprising of euro-denominated senior secured notes due 2021 and U.S. dollar-denominated senior secured notes due 2021 in total amounting to approximately € 1.6 billion. None of the debt raised to finance the acquisition has been borrowed by the Issuer and the Issuer is not responsible for the repayment of such debt. LP Group B.V. plans to maintain the Issuer's diversified funding strategy going forward, supported by its investment grade rating. The members of the Supervisory Board associated with the Issuer's former (indirect) shareholders have resigned and new members have been appointed. The Supervisory Board now consists of seven members, five of which are independent.

- ***Funding & liquidity activities***: Following the completion of the Acquisition on 21 March 2016, the Issuer acceded to a second Revolving Credit Facility replacing the Volkswagen Revolving Credit Facility amounting to €1.25 billion and maturing in December 2018. Furthermore, in April 2016, the Issuer concluded a €750 million public issuance with a maturity of four years and concluded a public securitization transaction (Bumper 7) in Germany amounting to €525 million effectively replacing the Issuer's securitization warehouse in Germany (Bumper DE). In May 2016, the Issuer concluded a €750 million public issuance with a maturity of five years.
- ***Ratings***: At the beginning of February 2016, each of the three rating agencies downgraded the Issuer's long-term ratings by one notch and revised the outlook to stable. Specifically, on 3 February 2016, S&P further downgraded LeasePlan's long-term rating to BBB- (with a stable outlook) and removed LeasePlan's ratings from Credit Watch, on 4 February 2016, Moody's downgraded the Issuer's long-term ratings to Baa1 (with a stable outlook) from A3, and on 8 February 2016, Fitch downgraded the Issuer's long-term ratings to BBB+ (with a stable outlook) from A- and removed them from Rating Watch Negative. As a result of the downgrades of the Issuer's credit ratings in February 2016, the Issuer was required to fund certain reserves in some of its securitization structures, including Bumper DE, Bumper 6 and Bumper NL, in a total amount of €153.1 million.
- ***Dividend distribution***: With respect to the year ended 31 December 2015, the Issuer declared its full annual dividend in the amount of €265.5 million, or 60.0% of its profit (as defined in accordance with IFRS), in March 2016, which was paid in April 2016.

FINANCIAL STATEMENTS OF LEASEPLAN CORPORATION N.V.

The consolidated financial statements of LPCorp for the years ended 31 December 2013, 2012 and 2015 have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and with Dutch law.

Selected Financial Information

The following tables set out in summary form balance sheet and income statement information relating to LPCorp. Such information was extracted without material adjustment from the audited consolidated financial statements of LPCorp as at and for the years ended 31 December 2013, 2014 and 2015. Such financial statements, together with the reports of LPCorp's auditors thereon, are incorporated by reference in this Base Prospectus. The financial information presented below should be read in conjunction with such financial statements and reports.

CONSOLIDATED BALANCE SHEET	As at 31 December		
	2015	**2014**	**2013**
	(in millions of euro)		
Assets			
Cash and balances at central banks	1,605.4	958.0	978.8
Receivables from financial institutions	368.9	1,222.8	1,439.1
Derivative financial instruments	166.1	183.0	120.4
Other receivables and prepayments	837.4	668.5	586.8
Inventories	261.3	205.3	202.0
Receivables from clients	3,309.5	2,952.1	2,829.9
Property and equipment under operating lease and rental fleet	14,261.5	12,681.3	12,226.6
Other property and equipment	90.7	82.9	82.7
Loans to investments accounted for using the equity method	103.3	290.1	258.4
Investments accounted for using the equity method	24.2	57.1	55.2
Intangible assets	171.3	162.8	163.8
Corporate income tax receivable	37.4	20.5	30.9
Deferred tax assets	141.4	161.8	154.8
	21,378.5	**19,646.3**	**19,129.4**
Assets classified as held-for-sale and discontinued operations	36.8	9.4	–
Total assets	**21,415.2**	**19,655.7**	**19,129.4**
Liabilities			
Trade and other payables and deferred income	2,255.3	2,062.0	1,945.4
Borrowings from financial institutions	2,073.1	1,991.4	2,523.3
Derivative financial instruments	88.4	130.3	197.5
Funds entrusted	5,087.0	4,378.9	4,320.2
Debt securities issued	8,142.4	7,638.0	6,988.7
Provisions	378.3	355.3	331.3
Corporate income tax payable	37.3	23.4	43.9
Deferred tax liabilities	253.9	233.6	197.6
Liabilities classified as held-for-sale	28.1	-	-
Total liabilities	**18,343.8**	**16,812.8**	**16,547.8**
Equity			
Share capital	71.6	71.6	71.6
Share premium	506.4	506.4	506.4
Other reserves	3.1	- 13.2	-42.6
Retained earnings	2,490.4	2,278.1	2,046.1
Shareholders' equity	**3,071.5**	**2,842.9**	**2,581.6**

Total equity and liabilities	**21,415.2**	**19,655.7**	**19,129.4**

CONSOLIDATED INCOME STATEMENT DATA	**For the years ended 31 December**		
	2015	**2014**	**2013**
	(in millions of euro)		
Revenues	8,297.6	7,619.4	7,421.5
Cost of revenues	7,231.1	6,695.2	6,599.8
Gross profit	**1,066.6**	**924.2**	**821.7**
Interest and similar income	780.0	794.2	859.3
Interest expenses and similar charges	330.0	377.7	479.7
Net interest income	**450.0**	**416.5**	**379.7**
Impairment charges on loans and receivables	23.2	20.1	25.1
Net interest income after impairment charges on loans and receivables	**426.7**	**396.4**	**354.6**
Unrealised gains/(losses) on financial instruments	13.5	-12.1	25.7
Other financial gains/(losses)	–	–	- 4.0
Net finance income	**440.2**	**384.3**	**376.3**
Total operating and net finance income	**1506.8**	**1,308.4**	**1,198.0**
Staff expenses	558.0	498.6	472.3
General and administrative expenses	290.6	263.5	256.8
Depreciation and amortisation	56.2	54.0	48.7
Total operating expenses	**904.7**	**816.0**	**777.7**
Share of profit of associates and jointly controlled entities	5.9	6.6	7.5
Profit before tax	**607.9**	**499.0**	**427.8**
Income tax expenses	165.5	127.1	101.3
Profit for the year	**442.5**	**372.0**	**326.4**
Profit attributable to			
Owners of the parent	442.5	372.0	326.4

TAXATION

I TAXATION IN THE NETHERLANDS

The following summary of certain Dutch taxation matters is based on the laws and practice in force as of the date of this Base Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of a Note, Coupon or Talon and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules. For the purpose of this summary the term "Note" includes any Coupon or Talon.

For the purpose of this summary it is assumed that no holder of a Note has or will have a substantial interest, or – in the case of a holder of a Note being an entity – a deemed substantial interest, in the Issuer and that no connected person (verbonden persoon) to the holder of a Note has or will have a substantial interest in the Issuer.

Generally speaking, an individual has a substantial interest in the Issuer if (a) such individual, either alone or together with his partner, directly or indirectly has, or is deemed to have or (b) certain relatives of such individual or his partner directly or indirectly have or are deemed to have (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent or more of either the total issued and outstanding capital of the Issuer or the issued and outstanding capital of any class of shares of the Issuer, or (ii) the ownership of, or certain rights over, profit participating certificates (winstbewijzen) that relate to 5 per cent or more of either the annual profit or the liquidation proceeds of the Issuer

Generally speaking, an entity has a substantial interest in the Issuer if such entity, directly or indirectly has (I) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent or more of either the total issued and outstanding capital of the Issuer or the issued and outstanding capital of any class of shares of the Issuer, or (II) the ownership of, or certain rights over, profit participating certificates (winstbewijzen) that relate to 5 per cent or more of either the annual profit or the liquidation proceeds of the Issuer. An entity holding a Note has a deemed substantial interest in the Issuer if such entity has disposed of or is deemed to have disposed of all or part of a substantial interest on a non-recognition basis.

For the purpose of this summary, the term "entity" means a corporation as well as any other person that is taxable as a corporation for Dutch corporate tax purposes.

Where this summary refers to "The Netherlands" or "Dutch", it refers only to the European part of the Kingdom of The Netherlands.

Where this summary refers to a holder of a Note, an individual holding a Note or an entity holding a Note, such reference is restricted to an individual or entity holding legal title to as well as an economic interest in such Note or otherwise being regarded as owning a Note for Dutch tax purposes. It is noted that for purposes of Dutch income, corporate, gift and inheritance tax, assets legally owned by a third party such as a trustee, foundation or similar entity, may be treated as assets owned by the (deemed) settler, grantor or similar originator or the beneficiaries in proportion to their interest in such arrangement.

Investors should consult their professional advisers on the tax consequences of their acquiring, holding and disposing of a Note, Coupon or Talon.

1. Withholding Tax

All payments under the Notes may be made free of withholding or deduction 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 have a maturity of not more than 50 years.

2. Taxes on Income and Capital Gains

Residents

Resident entities

An entity holding a Note which is, or is deemed to be, resident in The Netherlands for corporate tax purposes and which is not tax exempt, will generally be subject to corporate tax in respect of income or a capital gain derived from a Note at the prevailing rates.

Resident individuals

An individual holding a Note who is, or is deemed to be, resident in The Netherlands for income tax purposes will be subject to income tax in respect of income or a capital gain derived from a Note at rates up to 52 per cent if:

(i) the income or capital gain is attributable to an enterprise from which the holder derives profits (other than as a shareholder); or

(ii) the income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*), including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor (ii) applies, an individual holding a Note will be subject to income tax on the basis of a deemed return, regardless of any actual income or capital gain derived from a Note. The deemed return amounts to 4 per cent. of the value of the individual's net assets as at the beginning of the relevant fiscal year (including the Note). Subject to application of certain allowances, the deemed return will be taxed at a rate of 30 per cent. As per 1 January 2017 the rate of 4 per cent will be replaced by variable progressive rates. For the year 2017 the rates are set from 2.9 to 5.5 per cent. The applicable rates will be updated annually on the basis of historic market yields.

Non-residents

A holder of a Note which is not, and is not deemed to be, resident in The Netherlands for the relevant tax purposes will not be subject to taxation on income or a capital gain derived from a Note unless:

(i) the income or capital gain is attributable to an enterprise or part thereof which is either effectively managed in The Netherlands or carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) taxable in The Netherlands and the holder of a Note derives profits from such enterprise (other than by way of securities); or

(ii) the holder is an individual and the income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) in The Netherlands as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*), including, without limitation, activities that exceed normal, active asset management (*normaal, actief vermogensbeheer*).

3. Gift or Inheritance Taxes

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

(i) the holder of a Note is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions; or

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

4. Value Added Tax

The issuance or transfer of a Note, and payments of interest and principal under a Note, will not be subject to value added tax in The Netherlands.

5. Other Taxes and Duties

The subscription, issue, placement, allotment, delivery or transfer of a Note will not be subject to registration tax, stamp duty or any other similar tax or duty payable in The Netherlands.

6. Residence

A holder of a Note will not be, or deemed to be, resident in The Netherlands for tax purposes and, subject to the exceptions set out above, will not otherwise be subject to Dutch taxation, by reason only of acquiring, holding or disposing of a Note or the execution, performance, delivery and/or enforcement of a Note.

II LUXEMBOURG TAXATION

The following is a general description of certain Luxembourg tax considerations relating to the Notes. It specifically contains information on taxes on the income from the Notes withheld at source and provides an indication as to whether the Issuer assumes responsibility for the withholding of taxes at the source. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Luxembourg or elsewhere. Prospective purchasers of the Notes should consult their own

tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of Luxembourg. This information is based upon the law as in effect on the date of this Base Prospectus. The information contained within this section is limited to withholding taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.

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

A holder of the Notes may not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of the Notes, or the execution, performance, delivery and/or enforcement of the Notes.

All payments of interest (including accrued but unpaid interest) and principal by the Issuer in the context of the holding, disposal, redemption or repurchase of the Notes, which are not profit sharing, can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law, subject however to:

(i) The application as regards Luxembourg resident individuals of the Luxembourg law of 23 December 2005, as amended, which has introduced a 10 per cent. withholding tax (which is final when Luxembourg resident individuals are acting in the context of the management of their private wealth) on savings income (i.e. with certain exemptions, savings income within the meaning of the Luxembourg law of 21 June 2005 implementing the European Union Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the "**EU Savings Directive**") paid by a paying agent within the meaning of the EU Savings Directive established in Luxembourg.

Responsibility for the withholding of tax in application of the above-mentioned Luxembourg laws of 23 December 2005 is assumed by the Luxembourg paying agent within the meaning of this law and not by the Issuer.

(ii) Pursuant to the law of 23 December 2005 as amended by the law of 17 July 2008, Luxembourg resident individuals can opt to self declare and pay a 10 per cent. tax on savings income paid or ascribed by paying agents located in a Member State of the European Union other than Luxembourg, a Member State of the European Economic Area or in a State or territory which has concluded an agreement directly relating to the EU Savings Directive on the taxation of savings income.

The 10 per cent. withholding tax as described above or the 10 per cent. tax are final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

III The Proposed financial transactions tax

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **"participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States and the scope of any such tax is uncertain. It may therefore be altered prior to any implementation. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

The Dealers have in an amended and restated programme agreement dated 10 June 2016 (such agreement, as further amended, restated and/or supplemented, the "**Programme Agreement**"), agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "Form of the Notes" and "Terms and Conditions of the Notes" above. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme.

United States

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, except in accordance with Regulation S under the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

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

Each Dealer has severally represented and agreed and each further Dealer appointed under the Programme will be required to severally represent and agree that, except as permitted by the Programme Agreement, and as described below, it will not offer, sell or deliver the Notes of any Series (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, as determined and certified by such Dealer (or, in the case of a sale of Notes to one or more dealers on a syndicated basis, by the Dealer acting as lead manager), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has represented and agreed that neither it, its affiliates (as defined in Rule 405 of the Securities Act) nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts with respect to the Notes and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of any Tranche of Notes, any offer or sale of Notes of such Tranche within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

In respect of Bearer Notes where TEFRA D is specified in the applicable Final Terms, each relevant Dealer represents, undertakes and agrees that:

(a) except to the extent permitted under United States Treasury Regulation Section 1.163-5(c)(2)(i)(D) (or any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the "**D Rules**"), (i) it has not offered or sold, and during the restricted period it will not offer or sell, any Bearer Notes to a person who is within the United States or its possessions or to a United States person, and (ii) it has not delivered and it will not deliver within the United States or its possessions definitive Bearer Notes that are sold during the restricted period;

(b) it has, and throughout the restricted period it will have, in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Bearer Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;

(c) if it is a United States person, it is acquiring Bearer Notes for purposes of resale in connection with their original issuance and if it retains Bearer Notes for its own account, it will only do so in accordance with the requirements of United States Treasury Regulation Section 1.163-5(c)(2)(i)(D)(6) (or any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010);

(d) with respect to each affiliate that acquires Bearer Notes from it for the purpose of offering or selling such Notes during the restricted period, it repeats and confirms the representations and agreements contained in clauses (a), (b) and (c) on such affiliate's behalf or agrees that it will obtain from such affiliate for the benefit of the Issuer, the representations, undertakings and agreements contained in clauses (a), (b) and (c); and

(e) each Dealer agrees that it will obtain from any distributor (within the meaning of United States Treasury Regulation Section 1.163-5(c)(2)(i)(D)(4)(ii)) (or any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) that purchases any Bearer Notes from it pursuant to a written contract with such Dealer, for the benefit of the Issuer and each other Dealer, the representations contained in, and such distributor's agreement to comply with, the provisions of clauses (a), (b), (c), (d) and (e) as if such distributor were a Dealer hereunder.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") and regulations thereunder, including the D Rules.

In respect of Bearer Notes where TEFRA C is specified in the applicable Final Terms, each relevant Dealer represents, undertakes and agrees that:

(a) it understands that under United States Treasury Regulation Section 1.163-5(c)(2)(i)(C) (or any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the "**C Rules**"), Bearer Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance;

(b) it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, any Bearer Notes within the United States or its possessions in connection with the original issuance of the Bearer Notes; and

(c) in connection with the original issuance of the Bearer Notes it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such prospective purchaser or such Dealer is within the United States or its possessions and will not otherwise involve the United States office of such Dealer in the offer and sale of the Bearer Notes.

Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including the C Rules.

Each relevant Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will offer, sell and deliver Notes only in compliance with any applicable additional selling restrictions.

European Economic Area

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 such 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 "**Public 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 Public 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, and the Issuer has consented in writing to its use for the purpose of that Public Offer;

(b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(c) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in

the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(d) 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 (d) 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, the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measures in the Relevant Member State.

United Kingdom

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

(a) **No deposit-taking:** in relation to any Notes having a maturity of less than one year:

(i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and:

(ii) it has not offered or sold and will not offer or sell any Notes other than to persons:

(A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or

(B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 ("**FSMA**") by the Issuer;

(b) **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 apply to the Issuer; and

(c) **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 any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) and, accordingly, 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 Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person except pursuant to an exemption from the registration requirements of or otherwise in compliance with all applicable laws, regulations and ministerial guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan as defined under item 5, Paragraph 1, article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended).

The Netherlands

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that 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 the 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.

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 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 The Netherlands in reliance on Article 3(2) of the Prospectus Directive unless:

(a) such offer is made exclusively to legal entities which are qualified investors (as defined in the Prospectus Directive and which includes authorised discretionary asset managers acting for the account of retail investors under a discretionary investment management contract) in The Netherlands; or

(b) standard exemption logo and wording are disclosed as required by Article 5:20(5) of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, the "**FMSA**"); or

(c) such offer is otherwise made in circumstances in which Article 5:20(5) of the FMSA is not applicable,

provided that no such offer of Notes shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expressions (i) an "offer of Notes to the public" in relation to any Notes in The Netherlands; and (ii) "Prospectus Directive", have the meaning given to them above in the paragraph headed with "European Economic Area".

Republic of Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, each Dealer has represented and agreed that, save as set out below, it has not offered or sold, and will not offer or sell, any Notes in the Republic of Italy in a solicitation 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 regulation.

Accordingly, each of the Dealers has represented and agreed that it will not offer, sell or deliver any Notes or distribute copies of this Base Prospectus and any other document relating to the Notes in the Republic of Italy except:

(i) to "qualified investors", as referred to in Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the " **Decree No. 58**") and in Articles 34-*ter* paragraph 1, let. b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**Regulation No. 11971**");

(ii) that it may offer, sell or deliver Notes or distribute copies of any prospectus relating to such Notes in a solicitation 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 Directive 2003/71/EC of 4 November 2003 (the "**Prospectus Directive**") and the Directive 2010/73/EU of 24 November 2010 (the

"**Amending 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 approval of such prospectus; and

(iii) in any other circumstances where an express exemption from compliance with the solicitation restrictions applies, as provided under Decree No. 58 or Regulation No. 11971.

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

(a) 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. 58, CONSOB Regulation No. 16190 of 29 October 2007, as amended and any other applicable laws and regulations; and

(b) 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.

Luxembourg

The Notes may not be offered or sold to the public within the territory of the Grand Duchy of Luxembourg unless:

(i) a prospectus has been duly approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") pursuant to part II of the Luxembourg law dated 10 July 2005 on prospectuses for securities, as amended (the "**Luxembourg Prospectus Law**"), implementing the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (the "**Prospectus Directive**"), as amended through Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010, amending *inter alia* Directive 2003/71/EC, if Luxembourg is the home Member State as defined under the Luxembourg Prospectus Law; or

(ii) if Luxembourg is not the home Member State, the CSSF has been provided by the competent authority in the home Member State with a certificate of approval attesting that a prospectus in relation to the Notes has been drawn up in accordance with the Prospectus Directive and with a copy of the said prospectus; or

(iii) the offer of the Notes benefits from an exemption from or constitutes a transaction not subject to, the requirement to publish a prospectus pursuant to the Luxembourg Prospectus Law.

Republic of France

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

(i) *offer to the public in France*:

it has only made and will only make an offer of Notes to the public in France in the period beginning (i) when a prospectus in relation to those Notes has been approved by the *Autorité des marchés financiers* ("**AMF**"), on the date of its publication or, when a prospectus has been approved by the competent authority of another Member State of the European Economic Area which has implemented the EU Prospectus Directive 2003/71/EC, as amended, on the date of notification of such approval to the AMF, and ending at the latest on the date which is 12 months after the date of approval of the Base Prospectus, all in accordance with articles L.412-1 and L.621-8 of the French Code *monétaire et financier* and the *Règlement général* of the AMF; or

(ii) *private placement in France*:

it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes, and that such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties (*prestataires de service d'investissement de gestion de portefeuille pour le compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) other than individuals, all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 of the French Code *monétaire et financier*.

General

Each Dealer has represented, warranted and agreed 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 Programme Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) 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 paragraph headed "General" above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in a supplement to this Base Prospectus or (only in case of Notes which are not being offered to the public in a Relevant Member State (other than pursuant to one or more of the exemptions set out in Article 3.2 of the Prospectus Directive) and not admitted to trading on a regulated market within the meaning of the Prospectus Directive in a Relevant Member State) in the relevant Final Terms.

GENERAL INFORMATION

Authorisation

The continued establishment of the Programme and the issue of Notes under the Programme have been duly authorised by a resolution of the Managing Board of LPCorp of 6 June 2016. All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer have been given for the issue of Notes and for the Issuer to undertake and perform their obligations under the Programme Agreement, the Agency Agreement and the Notes.

Listing

Application may be made for the Notes to be issued under the Programme to be admitted to trading on Euronext or on the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg) and any other regulated market within the EEA as specified in the applicable Final Terms.

For listing purposes, the Luxembourg Stock Exchange has allocated the number 004439 to the Programme.

Documents Available

For the period of twelve (12) months following the publication of this Base Prospectus, copies of the following documents will, when published, be available free of charge during normal office hours from the registered offices of the Issuer and from the specified office of the Agent:

(i) the articles of association (*statuten*) of the Issuer and an English translation thereof;

(ii) the publicly available audited consolidated and unconsolidated annual financial statements (including the auditor's reports thereon) for the two most recent financial years of LPCorp and the most recently publicly available unaudited interim financial statements of LPCorp (in English);

(iii) the Programme Agreement and the Agency Agreement (which contains the forms of the temporary and permanent global Notes, the Definitive Notes, the Coupons and the Talons);

(iv) 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;

(v) the Final Terms for each Tranche of Notes which are offered to the public or admitted to trading on a regulated market; and

(vi) in the case of each issue of Notes which are listed or admitted to trading and are subscribed for pursuant to a subscription agreement (or equivalent document), the relevant subscription agreement (or equivalent document).

Clearing and Settlement Systems

The Notes have been accepted for clearance through Euroclear, Clearstream, Luxembourg and the Clearnet S.A. Amsterdam Branch Stock Clearing. The appropriate common code and ISIN code for each Tranche allocated by Euroclear, Clearstream, Luxembourg and the Clearnet S.A. Amsterdam Branch Stock Clearing, and any other relevant security code, will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Final Terms.

Significant or Material Change

There has been no significant change in the financial position of the Issuer, or the Issuer and the group of companies headed by the Issuer taken as a whole, and there has been no material adverse change in the prospects of the Issuer, or the Issuer and the group of companies headed by the Issuer taken as a whole since 31 December 2015.

Litigation

The Issuer is not aware of any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) in the twelve (12) months preceding the date of this Base Prospectus, which may have or have had in the recent past a significant effect on the financial position or profitability of the Issuer or the Issuer and the group of companies headed by the Issuer taken as a whole.

Auditors

PricewaterhouseCoopers Accountants N.V. have audited LPCorp's financial statements in accordance with generally accepted auditing standards in The Netherlands for the financial year ended 31 December 2013, 2014 and 2015 and issued unqualified independent auditor's reports thereon.

The PricewaterhouseCoopers Accountants N.V. audit partners that have signed the financial statements are registered with the Dutch Organisation of Accountants (*Nederlandse Beroepsorganisatie van Accountants*). PricewaterhouseCoopers Accountants N.V. business address is Thomas R. Malthusstraat 5, 1066 JR Amsterdam, P.O. Box 90357, 1006 BJ Amsterdam, The Netherlands.

PricewaterhouseCoopers Accountants N.V. has given its consent to the inclusion in the Base Prospectus of the incorporation by reference of their independent auditor's report(s).

The unaudited condensed consolidated financial statements for the three months ended 31 March 2016 have not been audited. KPMG Accountants N.V. ("**KPMG**"), independent auditors with their address at Laan van Langerhuize 1, 1186 DS Amstelveen, the Netherlands, has issued a review opinion on the Unaudited Q1 Financial Statements as at and for the three months ended 31 March 2016, as set forth in their report thereon. This independent auditor's review report is included in this Prospectus.

KPMG is governed by Dutch law in the Netherlands and is subject to inspection by the AFM. The AFM has granted KPMG a license to perform financial statement audits of public interest entities. The auditor who signed the auditor's report on behalf of KPMG is a member of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).

As decided by the general meeting of Shareholders of the Issuer on 21 September 2015, pursuant to an auditor rotation requirement under Dutch law, KPMG was appointed as its new independent auditor effective 1 January 2016, succeeding PricewaterhouseCoopers Accountants N.V.

The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

Calculation of Yield for Fixed Rate Notes

The yield for any particular Series of Fixed Rate Notes will be specified in the applicable Final Terms and will be calculated on the basis of the compound annual rate of return if the relevant Notes were to be purchased at the Issue Price on the Issue Date and held to maturity. Set out below is the formula for the purposes of calculating the yield of Fixed Rate Notes.

$$\text{Issue Price} = \text{Rate of Interest} \times \frac{1 - \left(\frac{1}{(1+\text{Yield})^{n}}\right)}{\text{Yield}} + \left[\text{Final Redemption Amount} \times \frac{1}{(1+\text{Yield})^{n}}\right]$$

Where:

"**Rate of Interest**" means the Rate of Interest expressed as a percentage as specified in the applicable Final Terms and adjusted according to the frequency i.e. for a semi-annual paying Note, the Rate of Interest is half the stated annualised Rate of Interest in the Final Terms;

"**Yield**" means the yield to maturity calculated on a frequency commensurate with the frequency of interest payments as specified in the applicable Final Terms; and

"**n**" means the number of interest payments to maturity.

Set out below is a worked example illustrating how the yield on a Series of Fixed Rate Notes could be calculated on the basis of the above formula. It is provided for purposes of illustration only and should not be taken as an indication or prediction of the yield for any Series of Notes; it is intended merely to illustrate the way which the above formula could be applied.

Where:

n = 6

Rate of interest = 3.875 per cent.

Issue Price = 99.392 per cent.

Final Redemption Amount = 100 per cent.

$$99.392 = 3.875 \times \frac{1 - \left(\frac{1}{(1+\text{Yield})^6}\right)}{\text{Yield}} + \left[100 \times \frac{1}{(1+\text{Yield})^6}\right]$$

Yield = 3.99 per cent. (calculated by iteration)

The yield specified in the applicable Final Terms in respect of a Series of Fixed Rate Notes will not be indication of future yield.

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Paying agents

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Legal advisers

To the Issuer in The Netherlands
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1013 GE Amsterdam
The Netherlands

To the Dealers in The Netherlands
Allen & Overy LLP
Apollolaan 15
1077 AB Amsterdam
The Netherlands

Auditor

Up to 31 December 2015
PricewaterhouseCoopers Accountants N.V.
Thomas R. Malthusstraat 5
1066 JR Amsterdam
The Netherlands

As from 1 January 2016
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Amsterdam listing agent
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