

EXPLANATORY NOTES 2014

on the

GENERAL BANKING CONDITIONS 2009

Foreword

These General Banking Conditions shall be also referred to hereinafter as the GBC.

The bank where you do your banking will also be referred to hereinafter in the first person plural (**we, us, our...**).

To protect your interests, the text of the GBC has been formulated in consultation between the Dutch Banking Association and the consumers' organisation Consumentenbond, both participating in the Bank Service Consultation Group (*Overleggroep Bankzaken*). This group consultation took place within the framework of the Self-regulatory Consultation Coordination Group (*Coördinatiegroep Zelfreguleringsoverleg*) of the Social and Economic Council of the Netherlands (SER). The text was discussed with the Dutch Confederation of Industry and Employers (*Vereniging VNO-NCW*) and the Royal Association MKB-Nederland. Neither organisation raised any objections.

Besides the GBC, we also have terms and conditions that were not formulated within the context of the Coordination Group, such as the special terms that apply to a product or service. As an interest organisation, the Consumentenbond is entitled to file objections against such special terms and conditions with the Dutch courts.

These notes replace the old ones as of 1 October 2014. About these (new) notes:

- a) The notes are more extensive and written in simpler language. An attempt was made to increase readability.
- b) The notes are intended to help you understand the GBC. An effort was also made to reflect the content of the GBC as accurately as possible. There may nevertheless be differences between the GBC and the notes on a few points. The text of the GBC always prevails over the notes, no matter if the difference is to your or our benefit.
- c) The notes also include examples, but they are only intended as clarification. The GBC also apply to other situations than the ones illustrated. You cannot therefore assume that only the examples are important.
- d) The notes introduce sections with brief summaries of their content. These introductions are only meant to provide an initial impression of the content. The articles always contain more than indicated in the summaries.

The GBC have been in use since 1 November 2009. The text was filed with the Clerk of the District Court in Amsterdam by the Dutch Banking Association under number 61/2009 on 27 July 2009.

Section 1 Scope

The GBC apply to every relationship between you and us. – Rules that apply to a specific product or service can be found in the agreement or special terms and conditions for the product in question.

The GBC apply to each relationship that you have or will have with us, regardless of how the relationship originated. As a bank customer, you are involved in a customer relationship. Within this relationship, you can have a further relationship with us because you purchase one of our products or services. If you have, for example, a savings account, you have a relationship with the bank involving the savings account.

An agreement is concluded for each product. The agreement and the associated special terms and conditions also specify rules that apply in addition to the GBC. An example is provided by the terms and conditions of savings accounts, which specifically apply to savings deposits. Whenever an agreement or special terms and conditions deviate from the GBC, the deviation shall prevail.

It may be that you also make use of terms and conditions (e.g. if you have a company). In such case, the GBC apply and not your own terms and conditions. Your terms and conditions only apply if so agreed with you in writing.

The GBC contains the basic rules that apply to you and us anywhere in the world. For example, you may (also) have a relationship with one of our foreign branches. They may have their own local terms and conditions because these specific T&C are more compatible with the valid law of the relevant country. In this case, the local terms and conditions apply in addition to the GBC. If there is something in the local terms and conditions that conflicts with the GBC, then the local terms and conditions prevail over the GBC on this point.

Section 2 Duty of care of the bank and customer

We have a duty of care, and nothing in these GBC alters that fact. – You also have a duty of care and may not misuse our services.

1. We must exercise due care when providing our services. In so doing, we must, as far as possible, take your interests into account. This important rule always applies. Other rules in the GBC or in our special terms and conditions cannot alter this fact. A few examples:

- a) You contact us to discuss the purchase of a product. We are not then allowed to deliberately try to convince you to acquire a product that we know you do not require.
- b) You have a consultative relationship with us regarding your investments. If you then wish to make an investment that is not compatible with your risk profile which you have indicated to us, we are required to point this out to you.

2. You must exercise due care with regard to us and, as far as possible, take our interests into account. You are required to extend us your cooperation so that we can properly perform our services and comply with our obligations under the agreement or the law. You may only use our services or products for their intended purposes and may not misuse them or cause them to be misused in any manner. Examples of misuse include use for:

a) *criminal offences*

You use, for example, your current account to launder money or to receive savings or investment funds requiring a permit without your possessing the permit. The same applies if you allow your account to be used for such purposes.

b) *activities that harm our reputation or the operation and reliability of the financial system.*

You attempt, for example, to disrupt our website by deliberately overtaxing it.

Section 3 Activities and objectives

We ask you for information to prevent abuse and to assess risks.

Banks play a key role in the national and international financial system. Unfortunately, our services are sometimes misused, such as for money laundering. We wish to prevent misuse and have legal obligations to do so. We require information from you for this purpose. The information may also be necessary for other reasons, such as the assessment of our risks or the proper execution of our service provision.

If we request information in this regard, you must furnish information about:

- a) your activities and goals;
- b) why you are purchasing or wish to purchase a product or service from us;
- c) how you have acquired the money, securities or other items that you are supplying us.

In using this information, we will always adhere to our valid privacy regulations.

Section 4 Private information

We are not required to use private information.

We may use information that you supply us to provide you with services. We can also make use of public information. Public information is information that is accessible for everyone because, for example, the information is in the newspaper or available on the internet.

It may be that we have access to information that is not public. You may not require us to use this information as part of our service provision for you. This information may also be market sensitive.

An example:

It is possible that we confidentially know if a company is in a financially poor state or, in fact, very sound. We will then not use the information when providing you with investment advice.

Section 5 Hiring third parties

We are allowed to engage other parties. – In carrying out your instructions or authorisation, we may perform transactions with ourselves. – We are required to take due care when employing other parties.

1. We do not have to perform all the work ourselves but can also outsource it to others. A few examples:

- a) Transactions, securities, shares or financial instruments can be held for us by another party. We may additionally perform transactions on our own.
- b) Others are also involved in the execution of payments.
- c) Other parties may furthermore be utilised in our business operations, for example to ensure that our systems function.

2. You may issue us an instruction or an authorisation. An authorisation means that we may act on your behalf to carry out legal and other transactions that you are required to perform.

If you issue us an instruction or an authorisation, the performance of these duties often involves an opposing party. The opposing party might also be us. To give an example:

We have the authorisation to pledge funds that you maintain with us to ourselves (see Section 24.1 GBC). In exercising this authorisation, we perform a transaction on your behalf with ourselves.

Whenever we are given an instruction or authorisation, we may also then pass it on to another party. This party can subsequently exercise the authorisation or execute the instruction.

3. We use the necessary due care when selecting other parties with which to work. If you engage or appoint another party yourself, you then bear the consequences.

Section 6 Risk of transfer

Who bears the risk of the transfers that we execute for you?

Your instructions may require us to transfer money or financial instruments (such as shares or bonds) on your behalf. The risk of transfer is then borne by us. If, for example, the transfer goes astray, we will reimburse you for the value.

It may also be that we send other items or securities on your behalf. The risk of transfer is then borne by you. Such is the case when a bill of lading (proof of ownership for certain goods) is transferred, for example.

Section 7 Customer data

We require information about you and your agent. You must notify us of any changes.

Information about your identity and other subjects

Should we request it, you must provide us with the following information:

a) *Information about natural persons:*

- i. First and last names, birth date, place of residence and citizen service number (or comparable registration number).

If we require it, you must show us valid proof of identity suitable for our purposes. This may be your passport, for example. We are legally required to check your identity.

ii. *Marital status and community property system.*

This information may determine if you require mutual consent for certain transactions or if you possess community property from which claims may be recoverable.

b) *Business customer data:*

Legal form, Trade Register and/or other register number, registered office, VAT number, overview of ownership and control structure.

You must cooperate with us to ensure that we can check this information. This data can, for example, be used to comply with our legal obligations or provide you with our services.

Your agent

We may also require this data about your agent. He or she must provide us with the information and cooperate with our verification of it.

This agent may, for example, be:

- a) a legal representative of a minor (usually mother / father);
- b) an authorised agent;
- c) a company director.

It may also be the case that you initially do not require an agent for your banking activities, but must later have one. This must then be communicated to us immediately. Consider the following situations for example:

- a) your assets are fully or partially placed under administration;
- b) you are in receivership;
- c) you enter into a debt management scheme, are granted a suspension of payments or become bankrupt;
- d) you are unable to (inviolably) perform all legal transactions yourself.

Notification of changes

We must be immediately notified of any changes to the data about you and your agent. This is important for the performance of our legal obligations and our services for you.

Storage of information

We are permitted to record and store this data, and are sometimes required to do so. We may also make copies of any documents verifying this information for our files.

Section 8 Signature

Why do we wish to have a sample signature?

You can use your signature to indicate your approval of an instruction that you give us or to perform another transaction with us. To be able to recognise your signature, we would like to know what your signature looks like. We can ask you for a sample of your handwritten signature and indicate further instructions as well. You will then immediately comply with any such request. The same applies to your agent.

We may rely on the sample of your signature until you inform us that your signature has changed. The same applies to the signature of your agent.

You or your agent may act in various roles with regard to us. For instance, it is possible to be a bank customer as well as an agent for another party. If you or your agent provides a sample signature in one of these roles, we may rely on this sample in all other roles. Consider, for example, the following case:

As a customer, you appoint an agent who is also one of our customers. If your agent has provided us with a sample signature in his or her role as a customer, we may also refer to it when the agent acts on your behalf.

Section 9 Authorisation and other representative powers

You can allow yourself to be represented by anyone, although we may impose rules concerning your choice. – You must notify us of any changes. – You and your agent will keep each other up to date.

1. Representation You can perform transactions with us, but also authorise an agent to act on your behalf. If someone has authorisation to act on your behalf, you are bound by his or her actions. The authorised agent is not entitled to transfer this power to anyone else. An example:

You grant your adult son or daughter authorisation to make payments from your account. You are bound by the payments. Your son or daughter may not transfer this power to another party, such as his or her spouse.

We may prescribe how the authorisation can be granted and the requirements that it must satisfy. This helps to prevent misunderstanding and improves efficiency.

We are not required to transact and to continue to carry out business with your authorised agent. There are circumstances under which we may refuse, for example on account of:

- objections against the authorised agent (e.g. due to misconduct)
- doubts about the validity of the scope of the authorisation.

2. Changes to representation

We must be immediately notified in writing of any changes to or the termination of your agent's authorisation. As long as you have not provided any such notification, we may assume that the authorisation continues unchanged. You may not assume that we have learned about changes or termination of the authorisation in some other manner. Examples:

- You are a business customer. The authorisations of directors or agents acting on your behalf are recorded in the Trade Register. You must notify the Trade Register if the authorisation of one of them is terminated. However, in addition, you need to immediately inform us of this fact as well. As long as you have not provided any such notification, we may assume that the authorisation still exists.
- You are a private customer and have a guardian as your legal agent. We must be immediately notified if you are given another guardian. In practice, your guardian will do this for you.

After notification that the authorisation of your agent has terminated or changed, we require a little time to update our service provision to the new status. Your agent may have conducted a transaction shortly before or after this notification. Should completion of the transaction then be unavoidable, you are bound by it.

3. Your agent must comply with the same rules as you. You need to keep each other informed.

All rules applying to you in your relationship with us also apply to your agent. You are responsible for ensuring that your agent abides by them. Moreover, you and your agent must constantly inform each other fully about everything that may be important in your relationship with us. An example:

Your agent has a bank card that he or she can use in your name. He or she must then comply with the same security regulations as you. When the bank provides you with information about these regulations, you must immediately pass this information on to your agent.

Section 10 Personal data

How do we handle personal data?

We are allowed to process the personal data of you and your agent. Personal data provides information about a certain someone. This information includes such items as birth date, address, gender or the products and services that you acquire from us. Processing personal data means, among other things, collecting, storing and using it. If we along with other legal entities constitute a group under the law, the data may be exchanged and processed within this group.

When processing personal data, we comply with the law, regulation and our binding codes of conduct. In this connection, the process may include the following goals: evaluation and acceptance of existing or future customers, administration and execution of the customer relationship, processing payments for the customer, compliance with legal obligations, commercial purposes and marketing, research and statistical purposes, security purposes and crime prevention.

We may also exchange personal data with other parties that we involve in our business operations or the provision of our services. Examples of such parties include the organisations that we utilise in operating our systems or processing payments.

Data exchange may mean that data enters countries where personal data is less well-protected than in the Netherlands.

Competent authorities in countries where personal data may be located during or following processing may launch an investigation into the data.

Section 11 Visual and audio recording

Are we permitted to record or film interviews with you?

We sometimes compile audio or video recordings of our service provision. It may be that you are included in these recordings and/or film. Whenever we make recordings, we abide by the relevant law and regulation. For example, we make recordings for:

a) *Effective business operations and quality control*

We can, for instance, record telephone conversations in order to help our employees provide the best possible service.

b) *Evidence*

As an example, we can make recordings of:

- an instruction that you give us by telephone, or

- the telephone message that you submit to us indicating the loss or theft of your bank card.

c) *Prevention of crime*

Example: video recording of ATMs.

You may be entitled to a copy of video and/or audio recordings, or a transcript of an audio recording. You must first provide us with the information that will help us to find the recording. You will, in any event, need to supply us the location, date and time of the recording.

Section 12 *Continuity of services*

We try to provide facilities that operate properly. Breakdowns and disruptions may nevertheless occur.

The normal process of our service provision depends, in part, on (technical) equipment such as devices, computers, software, systems, networks and the internet. We try to provide equipment that operates properly.

What may you expect from it? Not that there never is a breakdown or disruption. They cannot unfortunately always be avoided, nor do we always have an influence on such circumstances. Sometimes, a (short) disruption of service may be required for work such as maintenance. We try, within reasonable limits, to avoid breakdowns and disruptions, or to come up with a solution within a reasonable period.

Section 13 *Death of a customer*

What happens on your death?

1. Should you die, notice of your death must be sent to us as quickly as possible. In practice, this will be done by the executor of your estate.

You may have issued us an instruction prior to your death. This may be a payment instruction, for example. Until we receive written notification of your death, we may continue to carry out your or your agent's instructions. Once we have received the death notice, we still require a brief period to update our service provision. For this reason, an instruction that we receive prior to or shortly after the death notice may still be performed or continued. Your estate is bound by this instruction, providing its execution may no longer be avoided.

2. Normally, we do not know who your heirs are. It is important to ensure that your estate does not fall into the wrong hands. Should we ask, the person who acts on behalf of the estate must first therefore provide us with a certificate of inheritance from a Dutch civil notary. We may also require other documents.

Sometimes we do not need a certificate of inheritance in order to determine who can act on behalf of the estate. Depending on the size of the estate and other factors, we may find other documents or information to be sufficient.

3. We do not have to supply your heirs with any information about activities and transactions if we have already provided you with the information. For example, such previously provided information may include payment data.

Section 14 *Customer name and address*

Where do we send your mail?

1. You must ensure that we always have your correct address data, so we can send mail to your proper address. Any change to your address must be sent to us as quickly as possible in writing. The same applies to any changes to your name.

If, due to your own actions, your address is not or no longer known to us, we are entitled to conduct a search for your address or have one conducted, this at your expense. If your address is not or no longer known to us, we are also entitled to regard our own address as your address. Mail for you that comes to our address shall be deemed to have been received by you.

2. You may benefit from a service or product in combination with one or more other parties. You are then one of our joint customers. Mail for joint customers is sent to the address that has been indicated to us. If joint customers are or have become unable to mutually agree on the address to which the mail should be sent, we may then select the addresses to which we send the mail.

Section 15 *Dutch language*

In which language do we communicate with you and when is a translation required?

The communication between you and us occurs in Dutch. This may be otherwise if we reach a written agreement with you on the matter. For example, English may be selected for use in international commercial banking.

If you have a document for us in a language other than Dutch, we may require a translation into Dutch. A translation in another language is only permissible if we have agreed to it. The costs of producing the translation shall be borne by you. The translation must be performed by:

- a) a translator that is certified in the Netherlands for the language of the document, or
- b) someone else who we consider to be suitable.

Section 16 *Use of communication media*

Care and security during communications

There are various means of communicating with each other, including, for example, mail, telephone, e-mail or the internet. In all cases, you run a risk that something will go wrong during communications. For example, we may receive a message that was or appeared to be sent by you but that you did not send or did not send in the form that it was sent. You might not have sent the message yourself, or the content of the message may have been altered during transmission, either due to criminal activity or technical errors.

To prevent errors from occurring during communications, you should handle all communications securely and carefully. This means that you must maintain the best possible security for your

computer or other devices against viruses, malware and other misuse, and that you always check if you are communicating by means of a secure internet environment.

Section 17 *Information and instructions*

Information that we require for our services

1. We require some information from you to properly perform our services. You have to provide us with the information that we request.

There is, furthermore, certain information that we fail to request from you but of which you should nevertheless understand that we require this. This information must also be provided. An example:

You have an investment profile for your investment. If something changes as a result of which the financial risks become less acceptable for you, you must modify your profile or have it modified yourself.

Your instructions, notifications and other statements to us (or a party appointed by us) must be clear, complete, accurate and on time. If, for example, you wish to have a payment executed, you must indicate the correct number (digits and letters) of the bank account to which you wish the payment to be made.

2. We may impose additional rules for your instructions, notifications or other statements. You must comply with them whenever we do so. If, for example, we stipulate the use of a form or means of communication, you are required to use it.

3. We are not obligated to fulfil any instructions that do not comply with our rules. We can then refuse to execute these instructions or delay their execution.

In specific cases, we may also refuse instructions or a requested service even though it complies with all requirements. Consider, for example, a case in which we suspect misuse.

Section 18 *Evidential value and retention period of bank records*

Our bank records provide legitimate evidence, but you may also provide evidence to the contrary.

We keep records of the rights and obligations that you have or will have in your relationship with us. We are legally required to maintain reliable records and are subject to supervision. An extract from our records counts as legitimate evidence. Its content is deemed to be accurate. Of course, you may provide evidence to the contrary.

The law prescribes the period for which we must retain our records. On expiry of the statutory retention periods, we are permitted to destroy our records.

Section 19 *Checking of data acquired by the bank and the instructions that it performs*

You are required to check if the data that we acquire from you is accurate and if your instructions have been properly executed. – You should report any errors. – We may also correct errors without your permission. – Information that you have received can, in most cases, be reacquired. You are then required to pay for it.



1. *Checking data and the execution of instructions*

Notifications (such as confirmations, account statements, bills or other data) that you receive from us should be as quickly as possible checked for errors such as inaccuracies or omissions. You also need to perform this checking when we send you notifications electronically. The sending date of a notification or the date on which it was made available is the date on which this occurred according to our records. This date can, for example, be indicated on a copy of the statement or dispatch list. If you expect a notification from us but do not receive it, you must notify us of this fact as quickly as possible. You should do this when, for example, you are expecting an account statement but fail to receive it. We can then resend you this notification, which you can then check for any errors.

You also need to ensure that we have fully and accurately performed your instructions. Such checking should be done as quickly as possible. The same applies to any instructions that your agent has issued on your behalf.

2. *Reporting errors and limiting loss*

Any errors that you detect should be reported to us in writing as quickly as possible. Prompt reporting often makes rectification easier and may possibly prevent loss.

In addition, you are required to take all reasonable measures to prevent an error from resulting in loss or further loss. An example:

You instructed us to sell 1,000 shares that you hold and notice that we only sold 100 shares.

If you still wish to have your instructions carried out to the full, you must immediately notify us and ensure that the remaining 900 shares are sold. This then prevents any unnecessary loss caused by any price decrease.

If we discover on our own that we have made a mistake, you will be sent a notice to this effect. We will correct the mistake as quickly as possible.

3. *Correcting mistakes and recovering payments*

We do not require your permission to correct errors, such as an incorrect entry, for example.

We may possibly receive a payment for you from an unauthorised or legally incompetent person. We are then permitted to reverse the payment. Take the example of someone who is bankrupt or subject to a suspension of payments. The consequence of such circumstances is that the person cannot make any (inviolable) payments.

4. *Previously provided information*

You may reacquire Information that we have already provided to you if you make a request for it. We will charge you reasonable rates for this service. Sometimes you will not be able to reacquire the information. This occurs when we no longer possess it or if we have another good reason not to make it available.

Section 20 Approval of bank statements

After 13 months, our statements are deemed to be approved by you.

There may be occasions when you do not agree with one of our notifications (such as a confirmation, account statement, bill or other information). Of course, you can submit an objection to the notification, but there are rules that govern this process. If we do not receive a written objection from you within 13 months following notification, the notification will be regarded as approved by

you. This means that you are bound by its content. After 13 months, we are only required to correct errors in arithmetic.

Please note: this does not mean that you have 13 months to raise an objection. Under Section 19 GBC, you are required to report any inaccuracies and omissions in writing as quickly as possible. Should you fail to do so, the result may be that you do bear any loss, even if the objection is submitted within 13 months.

Section 21 Retention and confidentiality requirements

You must take due care with codes, forms and cards. – Likely misuse must be reported immediately.

You must handle codes, forms, (bank) cards or other tools that we make available to you with due care and adequate security. This will enable you to prevent them from falling into the wrong hands or being misused by someone. A few examples:

a) Codes (including passwords)

- i. You are to treat any codes as confidential and not disclose them to anyone, including your house mates, family, friends and bank employees. A code that you select yourself must be one that is not too easy to guess.
- ii. You should not possess any letter or other text in which the code is indicated, nor write the code down. If you are truly unable to remember a code and write this down after all, you should then ensure that the note is not recognisable as a code and cannot be deciphered.
- iii. You need to additionally make sure that no one can see the code when you enter it. Do not accept any assistance when entering the code.

b) Bank, debit and other cards

- i. Always keep your cards safe and out of sight.
- ii. Make sure you do not lose your cards and avoid opportunities when someone can (secretly) take them.

c) Forms and other tools (such as data media, communication devices and security equipment)

- These items should also be kept safe and out of sight. Make sure you do not lose them avoid opportunities when someone can (secretly) take them.

A code, form, card or other tool may in fact, fall into the wrong hands, or someone may or may be able to misuse it. If you know or suspect such is the case, you need notify us immediately. The same applies in case someone knows your code. Your notification will enable us to prevent (further) misuse.

Take into account that we may still impose additional security rules (on the use of your bank card, for example). You must comply with them as well, for they are important in preventing further misuse.

Section 22 *Commission, interest and costs*

Fee for our services and changes to our rates.

1. We charge you a fee for our services. This fee may consist of commission (payments for the service) along with interest and costs. Often, the rate of this fee will be agreed in advance. Whenever such is not the case, we will charge you our usual fee. We may change the amount of the fee at any time, unless we agree otherwise with you in writing.
2. We will keep you informed about the level of our rates to the extent that such is reasonably possible. We shall ensure that this information is readily available from us, such as on our website or in our branches.
3. We are permitted to debit our service fee from your account and are not required to notify you in advance. This debit may result in a deficit balance on your account. You must then immediately resolve this deficit by depositing additional funds. You must take care of this yourself, even if we do not ask you to do so. Immediate resolution of the deficit is not required if we have agreed with you that a deficit may be maintained on your account.

Section 23 *Conditional credit*

Suppose that you expect to receive a payment by our means. It may be that we are then willing to provide an advance on this payment. This advance will be recovered if the payment fails to transpire.

If we receive an amount for you through your bank account or in another manner, then you have a credit for this amount with us. Sometimes, we credit your account even though we have not yet (definitively) received the amount. In this way, you can enjoy access to the funds sooner. We may however cancel the credit to your account if we do not, in fact, receive the amount for you or must repay it. We are not required to notify you about such circumstances in advance.

An example:

You receive a cheque from a foreign national and request to have it converted into funds. You are, in fact, only credited with the amount of the cheque once we have received definitive payment of the cheque for you. Sometimes we are, however, ready to advance the amount to you and the amount is credited to your account before receiving definitive payment. This benefits you because you can use the funds sooner. Unfortunately, there are occasions when we do not receive any payment for you after all or that we must return a payment that we have received for you. We must then also cancel the credit that we have made to your account. This occurs, for example, when a cheque is not covered by sufficient funds or is a forgery. This is a risk that you assume. This is because we are not responsible for the payment of your debtor.

In cancelling an entry to your account, the following rules apply:

- a) If the currency of the credit is exchanged, we may reconvert the currency back in to the original currency. This is done at the exchange rate at the time of the return exchange.
- b) We may, in fact, incur costs in connection with the cancellation of an account entry. These costs shall be borne by you. They may, for example, include the costs of the return exchange.

Section 24 *Right of pledge*

You grant us a right of pledge for certain assets, such as balances at our bank and shares in which you invest through us. – This right of pledge provides us with security for the payment of your debts.

1. We assume that you will repay us the money that you owe us. For the sake of certainty, you must provide us with a right of pledge on everything that you can claim from us or through us in the form of money or assets either at present or in the future, including all the associated rights involved.

By assets, we mean for example:

- a) (cash) receivables, property, securities, company shares and other financial instruments, as well as shares in collective deposits and
- b) everything taking the place of these assets (for example, an insurance payment for loss of or damage to an asset pledged to us).

Associated rights may, for example, include such items as interest.

You grant us everything about these assets that can be pledged. In addition, you authorise us to pledge these assets to us on your behalf and to do this repeatedly. This authorisation means that we can transact this pledge on your behalf. You therefore do not have to sign a separate deed of pledge on each occasion. The following also applies to this authorisation:

- a) The authorisation furthermore implies that we may do everything involved in transacting the pledge.
- b) The authorisation is irrevocable, which means that you cannot retract it.
- c) We are furthermore permitted to transfer the authorisation to another party, enabling this other party to transact the pledge as well.

The pledge of all such assets is to secure all the debts that you owe or will owe us. It does not matter how these debts originate. The debts could for example arise due to a loan, several liability, security bond or guarantee.

2. You assure us that you are authorised to pledge the assets to us. You also guarantee us that no other party has any right (of pledge) or claim to these assets, either now or in the future.

3. If you wish to have a pledged asset at your disposal, you can ask us to relinquish the right of pledge on it. We will comply with this request if the remaining assets on which we retain rights of pledge provide us with sufficient cover for the debts that you have or will have with us. In making this consideration, it does not matter how these debts originate. The debts could for example arise due to a loan, several liability, security bond or guarantee.

We may dispose of the pledged assets to settle your debts to us only if you default on them. Defaulting may involve, for example, your failure to pay on a given date when you must pay us. The following also applies to such circumstances:

- a) We may liquidate the pledged assets by selling them.
- b) We shall not liquidate any more of the pledged assets than the amount required to settle your debts with us.
- c) Once we have liquidated the pledged assets, we will notify you in writing of this fact as quickly as possible.

If we have a right of pledge on a receivable, we may decide to collect this receivable. We can then use the received payment to settle the debt.

Section 25 Offsetting

We can offset the assets and liabilities that you hold with us.

We may offset all the receivables that we hold against you from all the payables that we owe you. If we offset items, this means that we eliminate our claims against you by cancelling an equal amount of what we owe you. An example:

We have a receivable from you of 1000 euros, but you also hold a savings account with a balance of 800 euros. We may delete 800 euros of what you owe us along with your savings balance. You then still owe us 200 euros.

We may also offset amounts if:

- i. our receivable is not due and payable;
- ii. your receivable is not due and payable;
- iii. the receivables are not in the same currency, and
- iv. our receivable is conditional.

Our wish to offset due amounts receivable in accordance with this section is, however, not without restriction. We may only offset them in the following cases:

- a) Someone places an attachment on your receivable from us (for example, your bank account balance) or tries in another manner to obtain the funds in the account;
- b) Someone obtains a limited right to your receivable from us (for instance, a limited right of pledge on or usufruct of the bank account balance);
- c) You transfer the funds held by us to someone else;
- d) You are bankrupt or subject to a suspension of payments;
- e) You are subject to legal debt reorganisation or another insolvency scheme.

This restriction does not apply if the claims are in different currencies. In the latter case, we are always permitted to offset.

If we proceed to offset a receivable in accordance with this section, we shall attempt to inform you in advance.

Receivables in different currencies are offset at the exchange rate on the date of offsetting.

Section 26 Collateral

Should we request it, you are required to provide collateral for the payment of your debts. – This section lists a number of rules that may be important with respect to collateral.

1. Should we request it of you, you are immediately required to provide collateral or additional collateral for the payment of your debts. This collateral may, for example, be a right of pledge or mortgage on one or your assets. We can exercise this pledge or mortgage right if you default on your payment. We have priority over other creditors to use the obtained revenue to settle your debt with us.

The following rules apply to the collateral that you must provide us:

- a) This collateral secures all the debts that you owe or will owe us. It does not matter how these debts originate. The debt could for example arise due to a loan, several liability, security bond or guarantee.
- b) You are not required to provide any more collateral than an amount that is reasonably comparable to your obligations to us. The collateral must always be sufficient to settle the debts that you have or will have with us. If this is not or no longer the case, you must immediately supplement or replace the collateral. Collateral may become insufficient due to a decrease in value (of cover), increase in the credit risk, a different assessment of credit risk or other factors that are relevant to us.
- c) You will have to provide the collateral that we require. If, for example, we request a right of pledge on your stock, you cannot provide us with a right of pledge on company assets.
- d) If you so inquire, we will inform you why we require (new) collateral.

2. If another bank continues all or part of our business, it is important that it can make use of our pledge and mortgage rights regarding your debts. Our agreement with you therefore allows that our pledge and mortgage rights for your debts are, in such a case, applicable as collateral for this other bank too. If the collateral applies to future debts that you will owe us, it also applies to the future debts that you will have with the other bank.

3. We can terminate all or part of our pledge and mortgage rights at any moment by serving notice to this effect.

4. Obtaining new collateral does not mean that existing collateral is thereby terminated. This is, however, otherwise if we reach an explicit agreement with you. An example is the case where we mutually agree that you should provide new collateral to replace existing collateral.

5. There may be instances when we have rights to collateral and authorisation to offset under previous conditions or banking conditions. They continue to apply in addition to the collateral and offsetting authorisation that we have under the GBC.

Section 27 *Immediately due and payable receivables*

You are required to properly comply with your obligations. Should you fail to do so, we can declare all receivables to be immediately due and payable.

You are required to promptly, fully and properly comply with your obligations. By obligations, we are not only referring to monetary debts that you owe us, but also other obligations. One example of the latter is your duty of care under Section 2.2 GBC.

It is possible that you nevertheless become non-compliant with an obligation. We may then render all our receivables from you immediately due and payable, including the receivables under an agreement with which you do, in fact, comply. We will not exercise this right if your non-compliance has little significance.

Should we make our receivables immediately due and payable, we shall execute this procedure by written notification in which we indicate what you have done wrong. Once receivables become immediately due and payable, we can require you to make immediate payment.

Section 28 *Special costs*

What special costs may we charge you?

1. We may become entangled in a dispute between you and a third party involving, for example, an attachment or arbitration proceedings. This may cause us to incur costs. You are required to fully compensate us for any such costs. We are not after all a party involved in the dispute between you and the other party. Such costs may consist of charges for processing an attachment that a creditor places on the funds that we hold for you. They may also involve the engagement of a lawyer.

2. We may also incur other special costs in connection with our relationship. You are required to compensate us for them to the extent reasonably possible. Such costs may include postage, telephone costs and appraisal fees, as well as the costs of legal assistance. We could additionally incur legal assistance fees in proceedings with you that exceed the legally prescribed costs that you have to pay us. If you are the losing party in these proceedings, you will have to pay our entire legal assistance costs, insofar as this is reasonable.

Section 29 *Taxes and levies*

Taxes and levies in connection with our services shall be paid by you.

Our relationship with you may result in taxes, levies, etc. You are required to compensate us for them. They may include payments that we must make in connection with our service to you (for example: fees involved in creating collateral).

Mandatory law or an agreement with you may result in some other circumstance.

Section 30 *Form of notifications*

How can you inform us about something?

If you wish to notify us about something, then you must do this in written form. Written form means, in this case, on paper and not by e-mail, for example. You may issue notifications in another manner if such has been explicitly agreed with us. For instance, you can use forms that we provide via internet banking, such as the one for submitting payment instructions.

Section 31 *Incidents and emergencies*

Your cooperation in response to incidents and emergencies or the imminent likelihood of them

A serious event may threaten to disrupt or may have disrupted our service provision. One example is a hacker attack on the banking internet system.

We can ask you within reasonable limits to help us to continue undisrupted service and to avoid as much damage as possible. You are required to comply with such a request. However, you must always make certain that the request is, in fact, coming from us.

Section 32 Partial invalidity or nullification

What is the result of a provision proving to be fully or partially invalid?

Suppose that a provision in these GBC is ineffective or is nullified. The provision is then invalid. This invalid provision will be replaced by a valid provision that as far as possible resembles the invalid one. The other provisions in the GBC remain in effect.

Section 33 Applicable law

Principal rule: Dutch law applies to the relationship between you and us.

Our relationship is governed by the law of the Netherlands. Mandatory law or an agreement with you may result in some other circumstance. Mandatory law is law from which we and you cannot deviate. What our relationship entails is stated under Section 1 GBC.

Section 34 Complaints and disputes

How do we resolve disputes between each other?

1. Suppose that you are unsatisfied with one of our products or services. You cannot directly file your complaint with a court or arbitration board. You first have to submit your complaint to us and follow our internal complaint procedure. We then examine if your complaint is justified. Information about the procedure to be followed is available from us. If you do not agree with our response, you can then forward the complaint to the competent complaint or arbitration board, or else a court.
2. Only a court in the Netherlands has the jurisdiction to hold proceedings concerning our relationship. This not only applies when you appeal to a court but also when we instigate such proceedings. Exceptions to the above include cases when:
 - a) Mandatory law indicates another court has jurisdiction, in which event the decisions of this court are then binding on you and us;
 - b) A foreign jurisdiction applies to you, in which event we have the option of submitting the dispute to the court having this jurisdiction.

Section 35 Terminating the relationship

You are authorised to terminate the customer (or other) relationship. We can also terminate it. Termination means that the relationship is ended and all continuing agreements are ended as quickly as possible.

You can terminate the customer (or other) relationship between you and us in writing. We can also terminate it. We shall provide you with the relevant information, should you inquire why we are terminating the relationship.

Termination means that the relationship is ended and all continuing agreements are ended as quickly as possible. It is not necessary for you to be in non-compliance with an obligation (unlike in Section 27 GBC). Partial termination is also possible. In this case, certain agreements may remain in effect.

After termination, agreements shall be ended as quickly as possible. This may require some time because a term must be completed. During the termination of a relationship and the terminated agreements, all applicable provisions remain in effect. This includes the GBC and the special terms and conditions applicable to the agreements.

Section 36 *Transfer of an agreement*

We are permitted to transfer all or part of our business to another party. The products and services that you acquire from us may also be transferred at the same time. You then become the customer of the party that takes over all or part of the business.

At some point, we may wish to transfer all or part of our business to another party. We may therefore wish to simultaneously transfer the legal relationship that we have with you under the agreement with you. You agree, at this time, to grant your cooperation in such a transaction. To give an example:

We transfer our activities to another bank. This may mean that the agreements that we have with you are simultaneously transferred to the other bank. You receive notification of this transfer and then become a customer of the other bank.

Section 37 *Amendments and supplements to the GBC*

This section indicates how changes and amendments may occur to the GBC. These amendments or supplements may, for example, be made necessary by technical or other developments.

The GBC can be amended or supplemented. Before amendments or supplements come into effect, representatives of Dutch consumer and business organisations shall be approached for consultation. During this consultation process, these organisations can express their opinions on amendments or supplements, and about the manner in which you are informed of them.

The new text will then be filed with the Clerk of the District Court in Amsterdam. Amendments and supplements shall only come into effect after 60 days afterwards.