Base Prospectus

Rabobank

Rabobank Nederland

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A.

(a cooperative (coöperatie) formed under the laws of the Netherlands with its statutory seat in Amsterdam)

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) Australia Branch (Australian Business Number 70 003 917 655)

(a cooperative (coöperatie) formed under the laws of the Netherlands with its statutory seat in Amsterdam)

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) Singapore Branch (Singapore Company Registration Number S86FC3634A)

(a cooperative (coöperatie) formed under the laws of the Netherlands with its statutory seat in Amsterdam)

EUR 160,000,000,000
Global Medium-Term Note Programme
Due from seven days to perpetuity

Under the Global Medium-Term Note Programme described in this Base Prospectus (the "**Programme**"), Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) ("**Rabobank Nederland**", the "**Bank**" or the "**Issuer**"), may through its head office or through its branches listed above, subject to compliance with all relevant laws, regulations and directives, from time to time issue Global Medium-Term Notes (the "**Notes**"). References herein to the "**Issuer**" shall mean Rabobank Nederland, whether issuing Notes through its head office or through its branches listed above.

The branches through which Rabobank Nederland may issue Notes are Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) Australia Branch ("**Rabobank Australia Branch**") and Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) Singapore Branch ("**Rabobank Singapore Branch**"). The aggregate nominal amount of Notes outstanding will not at any time exceed EUR 160,000,000,000 (or the equivalent in other currencies). The Programme is, and Notes issued under it may be, denominated in euro, which means the lawful currency of the member states of the European Union ("**Member States**") that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on the Functioning of the European Union (signed in Maastricht on 7 February 1992).

This Base Prospectus is a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**") and the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and regulations thereunder (together "**Dutch securities laws**") and has been approved by the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten* or the "**AFM**"), in its capacity as competent authority under Dutch securities laws, in accordance with the provisions of the Prospectus Directive and Dutch securities laws on 9 May 2012. Application will be made for Notes issued under the Programme within 12 months of this Base Prospectus to be admitted to trading on Euronext Amsterdam N.V.'s NYSE Euronext in Amsterdam ("**Euronext Amsterdam**") and to be admitted to the official list of the Luxembourg Stock Exchange (the "**Official List**") and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange (the "**Luxembourg Stock Exchange**"). Euronext Amsterdam and the regulated market of the Luxembourg Stock Exchange are regulated markets for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments. References in this Base Prospectus to Notes being "**listed**" (and all related references) shall mean that such Notes have been admitted to trading on a regulated market. Notes may also be listed on another stock exchange and unlisted Notes may also be issued under the Programme. The relevant final terms to this Base Prospectus (the "**Final Terms**") in respect of the issue of any Notes will specify whether such Notes will be listed on Euronext Amsterdam or the Official List (or any other stock exchange) or whether the Notes will not be listed. In relation to each separate issue of Notes, the price and amount of such Notes will be determined by the Issuer and the relevant Dealers in accordance with prevailing market conditions at the time of the issue of the Notes and will be set out in the relevant Final Terms.

The Notes of each Tranche (as defined herein) in bearer form will initially be represented by a temporary global note in bearer form, without interest coupons (each a "**temporary Global Note**"). If Global Notes in bearer form are stated in the relevant Final Terms to be issued in new global note ("**NGN**") form, the Global Notes will be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"). Notes in registered form will be represented by registered certificates (each a "**Certificate**"), one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes (as defined below) of one Series, and may be represented by a Global Certificate (as defined below). Registered Notes issued in global form will be represented by registered global certificates ("**Global Certificates**"). If a Global Certificate is held under the New Safekeeping Structure (the "**NSS**") the Global Certificate will be delivered on or prior to the original issue date of the relevant Tranche to a Common Safekeeper for Euroclear and Clearstream, Luxembourg.

Global Notes in bearer form which are not issued in NGN form ("***classic global notes***" or "**CGNs**") and Global Certificates which are not held under the NSS will be deposited on the issue date of the relevant Tranche either with (a) a common depositary for Euroclear and Clearstream, Luxembourg (the "**Common Depositary**") or (b) such other clearing system as agreed between the Issuer and the relevant Dealer. Interests in temporary Global Notes will be exchangeable for interests in permanent global notes (each a "**permanent Global Note**" and, together with the temporary Global Notes, the "**Global Notes**"), or, if so stated in the relevant Final Terms, definitive Notes ("**Definitive Notes**"), after the date falling 40 days after the completion of the distribution of such Tranche upon certification as to non-U.S. beneficial ownership. Interests in permanent Global Notes will be exchangeable for Definitive Notes in whole but not in part as described under "Summary of Provisions Relating to the Notes while in Global Form".

Notes of each Tranche of each Series to be issued in registered form ("**Registered Notes**") and which are sold in an "offshore transaction" within the meaning of Regulation S ("**Unrestricted Notes**") under the U.S. Securities Act of 1933 (the "**Securities Act**") will initially be represented by a permanent registered global certificate (each an "**Unrestricted Global Certificate**"), without interest coupons, which may be deposited on the issue date (a) in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream, Luxembourg, with the Common Depositary on behalf of Euroclear and Clearstream, Luxembourg and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream, Luxembourg, The Depository Trust Company ("**DTC**") or delivered outside a clearing system, as agreed between the Issuer and the relevant Dealer.

Registered Notes issued by Rabobank Nederland which are sold in the United States to "qualified institutional buyers" within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**Restricted Notes**") will initially be represented by a permanent registered global certificate (each a "**Restricted Global Certificate**" and, together with the "**Unrestricted Global Certificate**", the "**Global Certificates**"), without interest coupons, which may be deposited on the issue date either with (a) the Common Depositary on behalf of Euroclear and Clearstream, Luxembourg or (b) a custodian for, and registered in the name of Cede & Co. as nominee for, DTC.

Beneficial interests in Global Certificates held by Euroclear, Clearstream, Luxembourg and/or DTC will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear, Clearstream, Luxembourg and/or DTC and their participants. See "Clearing and Settlement". The provisions governing the exchange of interests in the Global Notes and in each Global Certificate are described in "Summary of Provisions Relating to the Notes while in Global Form".

Senior long term Notes issued under the Programme by Rabobank Nederland and Rabobank Singapore Branch are expected to be rated AA by Fitch Ratings Limited ("**Fitch**") and Senior long term Notes issued under the Programme by Rabobank Australia Branch are expected to be rated AA by Fitch Australia Pty Ltd. ("**Fitch Australia**"). Senior unsecured Notes issued under the programme are expected to be rated Aaa by Moody's Investors Service Ltd. ("**Moody's**") and Senior Notes with a maturity of one year or more are expected to be rated AA by Standard & Poor's Credit Market Services Europe Limited ("**Standard & Poor's**"). Each of Fitch, Moody's and Standard & Poor's is established in the European Union and is registered under Regulation (EC) No 1060/2009 (the "**CRA Regulation**"). Fitch Australia is not established in the European Union but the rating it has given to the Senior long term Notes to be issued under the programme is endorsed by Fitch, which is established in the European Union and registered under the CRA Regulation. In addition, this Base Prospectus contains or refers to certain credit ratings issued by DBRS Ratings Limited ("**DBRS**"). DBRS is established in the European Union and is registered under the CRA Regulation. A list of credit rating agencies registered under the CRA Regulation is published by the European Securities and Markets Authority on its website.

Tranches of Notes (as defined below) to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Notes already issued. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the relevant Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without prior notice.

Factors which may affect the ability of the Issuer to fulfil its obligations under the Programme and factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are set out on pages 10 to 22.

This Base Prospectus supersedes and replaces the Base Prospectus dated 6 May 2011.

Arranger for the Programme
Credit Suisse
Dealers

Barclays
BofA Merrill Lynch
Credit Suisse
Goldman Sachs International
J.P. Morgan
Morgan Stanley
Rabobank International
TD Securities

BNP PARIBAS
Citigroup
Daiwa Capital Markets Europe
HSBC
Mizuho International plc
Nomura
RBC Capital Markets
The Royal Bank of Scotland

UBS Investment Bank

The date of this Base Prospectus is 9 May 2012

This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, 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 Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer 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 and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any 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.

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes 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 or the Arranger (as defined in ''General Description of the Programme''). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since 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 on which it is supplied or, if different, the date indicated in the document containing the same.

The Arranger and the Dealers (excluding Rabobank International) have not separately verified the information contained in this Base Prospectus. None of the Dealers (excluding Rabobank International) or the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus. Neither this Base Prospectus nor any other financial statements should be considered as a recommendation by the Issuer, the Dealers or the Arranger that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Prospective investors should have regard to the factors described under the section headed ''Risk Factors'' in this Base Prospectus. This Base Prospectus does not describe all of the risks of an investment in the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers nor the Arranger undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

In connection with the issue of any tranche of a Series of Notes (a ''Tranche''), the Dealer or Dealers (if any) named as the stabilising manager(s) (the ''Stabilising Manager(s)'') (or persons acting on behalf of any Stabilising Manager(s)) in the relevant 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 Final Terms of the offer of the relevant Tranche 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 and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or overallotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.

The distribution of this Base Prospectus and any Final Terms and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms come are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. 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 are being sold pursuant to an exemption from the registration requirements of such Act. The Notes include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered or sold or, in the case of Notes in bearer form, 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'').

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and (in the case of Restricted Notes issued by Rabobank Nederland) within the United States to ''qualified institutional buyers'' in reliance on Rule 144A. Prospective purchasers are hereby notified that sellers of Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus or any Final Terms or any other offering material relating to the Notes, see ''Plan of Distribution'' and ''Transfer Restrictions''.

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

Rabobank Australia Branch is an ''authorised deposit-taking institution'' (''ADI'') as that term is defined under the Banking Act 1959 of Australia (''Banking Act''). The depositor protection provisions contained in Division 2 of the Banking Act (including sections 13A and 16) do not apply to Rabobank Australia Branch. However, claims against Rabobank Australia Branch are subject to section 11F of the Banking Act which provides that if Rabobank Australia Branch (whether in or outside Australia) suspends payment or is unable to meet its obligations, the assets of Rabobank Australia Branch in Australia are to be available to meet Rabobank Australia Branch's liabilities in Australia in priority to all other liabilities of Rabobank Australia Branch. Further, under section 86 of the Reserve Bank Act 1959 of Australia, debts due by a bank (including Rabobank Australia Branch) to the Reserve Bank of Australia shall in a winding-up of that bank have, subject to section 13A of the Banking Act, priority over all other debts, other than debts due to the Commonwealth of Australia.

All figures in this Base Prospectus have not been audited, unless stated otherwise. These figures are internal figures of Rabobank Nederland or Rabobank Group.

Unless the context otherwise requires, references in this Base Prospectus to ''Rabobank Nederland'', the ''Bank'' or the ''Issuer'' are to Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. and references to ''Rabobank Group'' or ''Rabobank'' are to Rabobank Nederland and its members, subsidiaries and affiliates. References herein to the ''Issuer'' shall mean Rabobank Nederland, whether issuing Notes through its head office or through Rabobank Australia Branch or Rabobank Singapore Branch.

Unless otherwise specified or the context otherwise requires, references to ''U.S.$'', ''USD'' and ''U.S. Dollars'' are to the lawful currency of the United States of America, to

''AUD'' and ''Australian Dollars'' are to the lawful currency of Australia, to ''NZD'' and ''New Zealand Dollars'' is to the lawful currency of New Zealand, to ''euro'', ''Euro'', ''EUR'' and ''€'' are to the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on the Functioning of the European Union, to ''sterling'', ''pounds sterling'' or ''£'' are to the lawful currency of the United Kingdom of Great Britain and Northern Ireland, to ''¥'', ''JPY'' and ''yen'' are to the lawful currency of Japan and to ''Renminbi'', ''RMB'' and ''CNY'' are to the lawful currency of the PRC.

In this Base Prospectus, references to ''PRC'' are to the People's Republic of China which, for the purpose of this Base Prospectus, shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan. References to ''CNH Notes'' are to Notes denominated in CNY or Renminbi deliverable in Hong Kong.

Your attention is drawn to the important information on pages 25 to 26.

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SUMMARY

This summary must be read as an introduction to this Base Prospectus and any decision to invest in the Notes should be based on a consideration of this Base Prospectus as a whole, including the documents incorporated by reference, by any investor. The Issuer has civil liability in respect of this summary if it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus. Where a claim relating to information contained in this Base Prospectus is brought before a court in an EEA State, the claimant may, under the national legislation of the EEA State where the claim is brought, be required to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.

Rabobank

Rabobank Group is an international financial service provider operating on the basis of cooperative principles. At 31 December 2011, it comprised 139 independent local Rabobanks and their central organisation Rabobank Nederland and its subsidiaries. Rabobank Group operates in 47 countries. Its operations include domestic retail banking, wholesale banking and international retail banking, asset management, leasing and real estate. It serves approximately 10 million clients around the world. In the Netherlands, its focus is on all-finance services and, internationally, on food and agri. Rabobank Group entities have strong internal relationships due to Rabobank's cooperative structure.

Rabobank's stability and creditworthiness is reflected in the ratings awarded by several rating agencies (Standard & Poor's, Moody's, Fitch and DBRS). In terms of Tier 1 capital, Rabobank Group is among the world's 30 largest financial institutions (source: The Banker).

Rabobank Group's cooperative core business comprises independent local Rabobanks. Clients can become members of their local Rabobank. In turn, the local Rabobanks are members of Rabobank Nederland, the supralocal cooperative organisation that advises and supports the banks in their local services. Rabobank Nederland also supervises the operations, sourcing, solvency and liquidity of the local Rabobanks. With 872 branches and 2,949 cash-dispensing machines at 31 December 2011, the local Rabobanks form a dense banking network in the Netherlands. In the Netherlands, the local Rabobanks serve approximately 6.8 million retail clients, and approximately 0.8 million corporate clients, offering a comprehensive package of financial services.

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) is the holding company of a number of specialised subsidiaries in the Netherlands and abroad. Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (trading as Rabobank International) ("**Rabobank International**") is Rabobank Group's wholesale bank and international retail bank.

At 31 December 2011, Rabobank Group had total assets of €731.7 billion, a private sector loan portfolio of €448.3 billion, amounts due to customers of €329.9 billion, savings deposits of €140.0 billion and equity of €45.0 billion. At 31 December 2011, its Tier 1 ratio, which is the ratio between Tier 1 capital and total risk-weighted assets, was 17.0 per cent. and its core Tier 1 ratio, which is the ratio between core Tier 1 capital and total risk-weighted assets, was 12.7 per cent. For the year ended 31 December 2011, Rabobank Group's efficiency ratio, which is the ratio between total operating expenses and total income, was 65.2 per cent., and return on equity, or net profit expressed as a percentage of Tier 1 capital, was 7.6 per cent. For the year ended 31 December 2011, Rabobank Group realised net profit of €2,627 million and a risk-adjusted return on capital ("**RAROC**") of 11.8 per cent. after tax. At 31 December 2011, Rabobank Group had 59,670 full-time employees.

Objectives

According to article 3 of its articles of association, the objective of Rabobank Nederland is to promote the interests of its members, the local Rabobanks. It shall do so by: (i) promoting the establishment, continued existence and development of cooperative banks; (ii) conducting the business of banking in the widest sense, especially by acting as central bank for its members and as such entering into agreements with its members; (iii) negotiating rights on behalf of its members and, with due observance of the relevant provisions of the articles of association, entering into commitments on their behalf, provided that such commitments have the same implications for all its members, including the entering into collective labour agreements on behalf of its members; (iv) participating in, managing and providing services to other enterprises and

institutions, in particular enterprises and institutions operating in the fields of insurance, lending, investments and/or other financial services; (v) supervising the local Rabobanks in accordance with the provisions of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*); and (vi) doing all such other things as may be regarded as being incidental or conducive to the attainment of the objectives specified above.

Market shares in the Netherlands

As an all-finance service provider, Rabobank Group offers a comprehensive package of financial products and services.

Residential mortgages: For the year ended 31 December 2011, Rabobank Group had a market share of 31.7 per cent. of the total amount of new home mortgages in the Dutch mortgage market (source: Dutch Land Registry Office (*Kadaster*)).

Savings deposits of individuals: At 31 December 2011, Rabobank Group had a market share of 38.7 per cent. of the Dutch savings market (source: Statistics Netherlands (*Centraal Bureau voor de Statistiek*)).

Lending to small and medium-sized enterprises: At 31 December 2011, Rabobank Group had a market share of 42 per cent. of domestic loans to the trade, industry and services sector (source: measured by Rabobank's own surveys).

Agricultural loans: At 31 December 2011, Rabobank Group had a market share of 83 per cent. of loans and advances made by banks to the Dutch primary agricultural sector (source: measured by Rabobank's own surveys).

Asset quality record

For the year ended 31 December 2011, Rabobank's bad debt costs were 37 basis points of average lending, which is higher than the ten year average of 24 basis points (based on the period from 2001 to 2010).

At 31 December 2011, economic country risk exposure to non-OECD countries represented 3.8 per cent. of Rabobank Group's total assets. Having taken into account country risk-reducing components, net country risk before provisions amounted to 1.7 per cent. of Rabobank's total assets.

Capitalisation

At 31 December 2011, Rabobank's Tier 1 ratio was 17.0 per cent. and its core Tier 1 ratio was 12.7 per cent.

Form of Notes

The Notes may be issued in bearer form only, in bearer form exchangeable for Registered Notes or in registered form only.

Currencies

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers, except that, at the date hereof, only Rabobank Nederland may issue Notes denominated in Sterling.

Maturities

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued with any maturity between seven days and perpetuity.

Denomination

The Notes will be issued in such denominations as may be specified in the relevant Final Terms.

Redemption

The Final Terms will specify the basis for calculating the redemption amounts payable, which may be by reference to stock, index or formula or as otherwise provided in the relevant Final Terms. Where the basis for calculating the redemption amounts or interest payable is by

reference to stock, the Final Terms may also provide for the Notes to be adjusted or redeemed on the occurrence of certain specified events affecting the stock, or the issuer of the stock, or the Issuer's and/or its Affiliates' (as defined further in ''Terms and Conditions of the Notes'') related hedging arrangements. Furthermore, where the basis for calculating the redemption amounts or interest payable is by reference to an index, the Final Terms may provide for the Notes to be adjusted on the occurrence of certain specified events affecting the index or its sponsor and the Final Terms may also provide for the Notes to be adjusted or redeemed on the occurrence of disruptions to the Issuer's and/or its Affiliates' related hedging arrangements. Where the basis for calculating the redemption amounts or interest payable is by reference to a formula or other variable, the Final Terms may also provide for the Notes to be adjusted or redeemed on the occurrence of certain specified events affecting the underlying economic exposure of such formula or other variable or the Issuer's or its Affiliates' related hedging arrangements. In each case, the basis for adjustment or redemption is as more fully set out under ''Terms and Conditions of the Notes''.

Governing law

The laws of the Netherlands.

Listing

Euronext Amsterdam, the Luxembourg Stock Exchange, or as otherwise specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of Notes may be unlisted.

Risk factors

The purchase of Notes may involve substantial risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. 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. Material risks that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme include Rabobank Group's exposure to business and general economic conditions, credit risk, country risk, interest rate and inflation risk, funding and liquidity risk, market risk, currency risk, operational risk, legal risk, tax risk, systemic risk, competition, business environment, credit ratings, key employees, minimum regulatory capital and liquidity requirements, terrorist acts, civil unrest, other acts of war or hostility, geopolitical, pandemic or other such events, and the effect of governmental policy and regulation. Material risks relating to the structure of a particular issuance of Notes may (depending on the terms of the particular issue) include that the market price of the Notes may be volatile, the Notes may not pay interest or the payment of interest may depend on the market value of other securities, payment of principal or interest may occur at a different time or in a different currency than expected and payment of principal may be in an amount less than the nominal amount of the Notes or even zero. Please see the section ''Risk Factors''.

SUMMARY FINANCIAL INFORMATION

The following unaudited table presents certain historical consolidated financial information for Rabobank Group. This information should be read in conjunction with Rabobank Group's audited consolidated financial statements and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" which appear elsewhere in this Base Prospectus.

The three-year key figures at and for the years ended 31 December 2011, 2010 and 2009 have been derived from the corresponding Rabobank Group financial statements, which have been audited by Ernst & Young Accountants LLP, the independent auditor in the Netherlands. The Rabobank audited consolidated financial statements for 2011, 2010 and 2009 have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union ("**IFRS**").

(in millions of euro, except percentages)	2011	2010	2009
Volume of services			
Total assets	731,665	652,536	607,483
Private sector loan portfolio	448,337	436,292	415,235
Amounts due to customers	329,892	298,761	286,338
Assets under management and held in custody for clients	263,600	270,400	230,400
Financial position and solvency			
Equity	45,001	40,757	37,883
Tier 1 capital	37,964	34,461	32,152
Core Tier 1 capital	28,324	27,735	25,579
Qualifying capital	39,088	35,734	32,973
Risk-weighted assets	223,613	219,568	233,221
Statement of income			
Total income	13,378	12,716	12,434
Operating expenses	8,720	8,196	8,038
Value adjustments	1,606	1,234	1,959
Taxation	425	514	229
Net profit	2,627	2,772	2,208
Ratios			
BIS ratio	17.5%	16.3%	14.1%
Tier 1 ratio	17.0%	15.7%	13.8%
Core Tier 1 ratio	12.7%	12.6%	11.0%
Equity capital ratio	14.7%	14.2%	12.4%
Net profit growth	(5.2)%	25.5%	(19.8)%
Return on equity	7.6%	8.6%	7.3%
Efficiency ratio	65.2%	64.5%	64.6%
Ratings			
Standard & Poor's	AA	AAA	AAA
Moody's	Aaa	Aaa	Aaa
Fitch	AA	AA+	AA+
DBRS	AAA	AAA	AAA

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. Most of these factors are contingencies, which may or may not occur, and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents deemed to be incorporated by reference herein) and reach their own views prior to making any investment decision.

Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme

Business and general economic conditions

The profitability of Rabobank Group could be adversely affected by a worsening of general economic conditions in the Netherlands and/or globally. Banks are still facing persistent turmoil in financial markets following the European sovereign debt crisis that arose in the first half of 2010. Moreover, renewed tensions surrounding Iran's nuclear program, associated with the release of a new report of the International Atomic Energy Agency in November 2011, and the continuing social unrest (which started in the beginning of 2011) in certain Middle East countries, particularly Syria, may also cause adverse economic effects which may adversely impact the Rabobank Group. Factors such as interest rates, exchange rates, inflation, deflation, investor sentiment, the availability and cost of credit, the liquidity of the global financial markets and the level and volatility of equity prices can significantly affect the activity level of customers and the profitability of Rabobank Group. For example, an economic downturn, or significantly higher interest rates, could adversely affect the credit quality of Rabobank Group's assets by increasing the risk that a greater number of its customers would be unable to meet their obligations. Moreover, the market downturn and worsening of the economy could reduce the value of Rabobank Group's assets and could cause Rabobank Group to incur further mark-to-market losses in its trading portfolios or could reduce the fees Rabobank Group earns for managing assets or the levels of assets under management. In addition, a market downturn and increased competition for savings in the Netherlands could lead to a decline in the volume of customer transactions that Rabobank Group executes and, therefore, a decline in customer deposits and the income it receives from fees and commissions and interest. See ''Management's Discussion and Analysis of Financial Condition and Results of Operations — Factors affecting results of operations — General market conditions''. Continuing volatility in the financial markets or a protracted economic downturn in the Netherlands or Rabobank Group's other major markets could have a material adverse effect on Rabobank Group's results of operations.

Credit risk

Credit risk is defined as the risk that the bank will suffer economic losses because a counterparty cannot fulfil its financial or other contractual obligations arising from a credit contract. A ''credit'' is each legal relationship on the basis of which Rabobank, in its role as financial service provider, can or will obtain a claim on a debtor by providing a product. In addition to loans and facilities (with or without commitment), credit as a generic term also includes, among other things, guarantees, letters of credit and derivatives. An economic downturn may result in an increase in credit risk and, consequently, loan losses that are above Rabobank Group's long-term average, which could have a material adverse effect on Rabobank Group's results of operations.

Country risk

With respect to country risk, a distinction can be made between transfer risk and collective debtor risk. Transfer risk relates to the possibility of foreign governments placing restrictions on funds transfers from debtors in that country to creditors abroad. Collective debtor risk relates to the situation in which a large number of debtors in a country cannot meet their commitments for

the same reason (e.g. war, political and social unrest or natural disasters, but also government policy that does not succeed in creating macro-economic and financial stability).

Unpredictable and unexpected events which increase transfer risk and/or collective debtor risk could have a material adverse effect on Rabobank Group's results of operations.

Interest rate and inflation risk

An important risk component for Rabobank Group is interest rate risk. Interest rate risk is the risk, outside the trading environment, of deviations in interest income and/or the market value of capital as a result of changes in market interest rates. Interest rate risk results mainly from mismatches between the periods for which interest rates are fixed for loans and funds entrusted. If interest rates increase, the rate for Rabobank Group's liabilities, such as savings, can be adjusted immediately. This does not apply to the majority of Rabobank Group's assets, such as mortgages, which have longer interest rate fixation periods. Sudden and substantial changes in interest rates could have a material adverse effect on Rabobank Group's results of operations. Inflation and expected inflation can influence interest rates. An increase in inflation may: (i) decrease the value of certain fixed income instruments which Rabobank Group holds; (ii) result in surrenders of certain savings products with fixed rates below market rates by banking customers of Rabobank Group; (iii) require Rabobank Group to pay higher interest rates on the securities that it issues; and (iv) cause a general decline in financial markets.

Funding and liquidity risk

Liquidity risk is the risk that not all (re)payment commitments can be met. This could happen if clients or other professional counterparties suddenly withdraw more funding than expected, which cannot be met by Rabobank Group's cash resources or by selling or pledging assets or by borrowing funds from third parties. Important factors in preventing this are preserving the trust of customers for retail funding and maintaining access to financial markets for wholesale funding. If either of these were seriously threatened, this could have a material adverse effect on Rabobank Group's results of operations.

Market risk

The value of Rabobank Group's trading portfolio is affected by changes in market prices, such as interest rates, equities, currencies, certain commodities and derivatives. Any future worsening of the situation in the financial markets could have a material adverse effect on Rabobank Group's results of operations.

Currency risk

Rabobank Group is an internationally active bank. As such, part of its capital is invested in foreign activities. This gives rise to currency risk, in the form of translation risk. In addition, the trading books are exposed to market risk, in that they can have positions that are affected by changes in the exchange rate of currencies. Sudden and substantial changes in the exchange rates of currencies could have a material adverse effect on Rabobank Group's results of operations.

Operational risk

As a risk type, operational risk has acquired its own distinct position in the banking world. It is understood to mean "the risk of losses resulting from inadequate or failed internal processes, people or systems or from external events". Events of recent decades in modern international banking have shown on several occasions that ineffective control of operational risks can lead to substantial losses. Under the Basel II accord, banks must hold capital for this risk. Examples of operational risk incidents are highly diverse: fraud, claims relating to inadequate products, inadequate documentation, losses due to poor occupational health and safety conditions, errors in transaction processing, non-compliance with the law and system failures. The occurrence of any such incidents could have a material adverse effect on Rabobank Group's results of operations.

Legal risk

Rabobank Group is subject to a comprehensive range of legal obligations in all countries in which it operates. As a result, Rabobank Group is exposed to many forms of legal risk, which may arise in a number of ways. Rabobank Group faces risk where legal proceedings are brought against it. Regardless of whether such claims have merit, the outcome of legal proceedings is

inherently uncertain and could result in financial loss. Defending legal proceedings can be expensive and time-consuming and there is no guarantee that all costs incurred will be recovered even if Rabobank Group is successful. Although Rabobank Group has processes and controls to manage legal risks, failure to manage these risks could have a negative impact on Rabobank Group's reputation and could have a material adverse effect on Rabobank Group's results of operations.

Tax risk

Rabobank Group is subject to the tax laws of all countries in which it operates. Tax risk is the risk associated with changes in tax law or in the interpretation of tax law. It also includes the risk of changes in tax rates and the risk of failure to comply with procedures required by tax authorities. Failure to manage tax risks could lead to an additional tax charge. It could also lead to a financial penalty for failure to comply with required tax procedures or other aspects of tax law. If, as a result of a particular tax risk materialising, the tax costs associated with particular transactions are greater than anticipated, it could affect the profitability of those transactions, which could have a material adverse effect on Rabobank Group's results of operations.

Systemic risk

Rabobank Group could be negatively affected by the weakness and/or the perceived weakness of other financial institutions, which could result in significant systemic liquidity problems, losses or defaults by other financial institutions and counterparties. Financial services institutions that deal with each other are interrelated as a result of trading, investment, clearing, counterparty and other relationships. This risk is sometimes referred to as ''systemic risk'' and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom Rabobank Group interacts on a daily basis. Concerns about the creditworthiness of sovereigns in Europe and the United States have recently intensified. The large sovereign debts and/or fiscal deficits of a number of European countries and the United States have raised concerns regarding the financial condition of financial institutions. Any of the above-mentioned consequences of systemic risk could have an adverse effect on Rabobank Group's ability to raise new funding and its results of operations.

Effect of governmental policy and regulation

Rabobank Group's businesses and earnings can be affected by the fiscal or other policies and other actions of various governmental and regulatory authorities in the Netherlands, the European Union, the United States and elsewhere. Areas where changes could have an impact include, but are not limited to: the monetary, interest rate and other policies of central banks and regulatory authorities; changes in government or regulatory policy that may significantly influence investor decisions in particular markets in which Rabobank Group operates; changes and rules in competition and pricing environments; developments in the financial reporting environment; stress testing exercises to which financial institutions in general, and Rabobank Group in particular, are subject; or unfavourable developments producing social instability or legal uncertainty which in turn may affect demand for Rabobank Group's products and services. Regulatory compliance risk arises from a failure or inability to comply fully with the laws, regulations or codes applicable specifically to the financial services industry. Non-compliance could lead to fines, public reprimands, damage to reputation, enforced suspension of operations or, in extreme cases, withdrawal of authorisations to operate.

As of 1 July 2009 a personal mortgage loan should not be higher than €350,000 to be eligible for being secured by the Dutch Homeownership Guarantee Fund (*Stichting Waarborgfonds Eigen Woningen* or ''**WEW**''), an institution that was founded by the Dutch government in 1993, through the National Mortgage Guarantee Scheme (*Nationale Hypotheek Garantie* or ''**NHG**''). As of 1 July 2012, this maximum will be reduced to €320,000, as of 1 July 2013 to €290,000 and as of 1 July 2014 to €265,000. Moreover, on 1 July 2011 the Dutch government reduced the conveyance tax on privately owned houses (from 6 per cent. to 2 per cent.). The Dutch government also intends to introduce a banking tax in 2012. The tax will be based on the amount of the balance sheet total of the relevant bank as at the end of such bank's preceding financial year. In addition, in 2012 a new way of financing the Dutch Deposit Guarantee Scheme, a system that protects bank depositors from losses caused by a bank's inability to pay its debts when due, will come into force. Finally, the Dutch Central Bank (*De Nederlandsche Bank N.V.*, ''**DNB**''), has launched a proposal that implies a step by step reduction

of the maximum permissible amount of a residential mortgage loan to 90 per cent. of the value of the property (instead of the maximum of 106 per cent. that Rabobank has applied since 1 July 2011 and other Dutch banks since 1 August 2011). All these factors may have material adverse effects on Rabobank Group's results of operations.

At 31 December 2011, mortgage loan interest payments for Dutch homeowners are tax deductible. If the tax deductibility is reduced or abolished, which in Rabobank's view is increasingly likely, this could have a material adverse effect on Rabobank Group's results of operations.

On 21 July 2010, the United States enacted the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), which provides a broad framework for significant regulatory changes that will extend to almost every area of U.S. financial regulation. Implementation of the Dodd-Frank Act will require further detailed rulemaking over several years by different U.S. regulators, including the Department of the Treasury, the Board of Governors of the Federal Reserve System (the "**Federal Reserve**"), the SEC, the Federal Deposit Insurance Corporation (the "**FDIC**"), the Commodity Futures Trading Commission (the "**CFTC**") and the newly created Financial Stability Oversight Council (the "**FSOC**"), and uncertainty remains about the final details, timing and impact of the rules. The Dodd-Frank Act provides for new or enhanced regulations regarding, among other things: (i) systemic risk oversight, (ii) bank capital standards, (iii) the liquidation of failing systemically significant financial institutions, (iv) OTC derivatives, (v) the ability of banking entities to engage in proprietary trading activities and invest in hedge funds and private equity (the so-called "Volcker rule") and (vi) consumer and investor protection. Although uncertainty remains about many of the details, impact and timing of these regulatory initiatives, implementation of the Dodd-Frank Act and related final regulations could result in significant costs and potential limitations on Rabobank Group's businesses and may have material adverse effects on Rabobank Group's results of operations.

In the United Kingdom, the Independent Commission on Banking, chaired by Mr. John Vickers, released its Final Report on 12 September 2011. This report recommends that the retail banking activities of banks in the United Kingdom should be structurally separated, by a "ring-fence", from wholesale banking and investment banking activities. In the Netherlands, a similar recommendation was made by the '*Parlementaire Enquêtecommissie Financieel Stelsel*', a parliamentary commission that investigated the turmoil in the financial sector in recent years under chair of Mr. De Wit which presented its final report on 12 April 2012. If the recommendation of the commission De Wit is adopted, this could have a material adverse effect on Rabobank Group's results of operations.

Minimum regulatory capital and liquidity requirements

Rabobank Group is subject to the risk, inherent in all regulated financial businesses, of having insufficient capital resources to meet the minimum regulatory capital requirements. Under Basel II, capital requirements are inherently more sensitive to market movements than under previous regimes. Capital requirements will increase if economic conditions or negative trends in the financial markets worsen. Any failure of Rabobank Group to maintain its minimum regulatory capital ratios could result in administrative actions or sanctions, which in turn may have a material adverse impact on Rabobank Group's results of operations. A shortage of available capital may restrict Rabobank Group's opportunities for expansion.

In the future, under the Basel III proposals ("**Basel III**"), capital and liquidity requirements will increase. On 17 December 2009, the Basel Committee on Banking Supervision (the "**Basel Committee**") proposed a number of fundamental reforms to the regulatory capital framework in its consultative document entitled "Strengthening the resilience of the banking sector". The Basel Committee published its economic impact assessment on 18 August 2010 and, on 12 September 2010, the Group of Governors and Heads of Supervision, the oversight body of the Basel Committee, announced further details of the proposed substantial strengthening of existing capital requirements. On 16 December 2010 the Basel Committee issued its final view on Basel III, as discussed under "Regulation of Rabobank Group".

There can be no assurance that, prior to its implementation in 2013, the Basel Committee will not amend the package of reforms described above. Further, the European Commission and/or the Dutch Central Bank may implement the package of reforms in a manner that is different from that which is currently envisaged, or may impose additional capital and liquidity requirements on Dutch banks.

If the regulatory capital requirements, liquidity restrictions or ratios applied to Rabobank Group are increased in the future, any failure of Rabobank Group to maintain such increased capital and liquidity ratios could result in administrative actions or sanctions, which may have an adverse effect on Rabobank Group's results of operations.

Credit ratings

Rabobank Group's access to the unsecured funding markets is dependent on its credit ratings.

A downgrading in its credit ratings, as a result of a change in rating methodology or otherwise, could adversely affect Rabobank Group's access to liquidity alternatives and its competitive position, and could increase the cost of funding or trigger additional collateral requirements all of which could have a material adverse effect on Rabobank Group's results of operations.

Competition

All aspects of Rabobank Group's business are highly competitive. Rabobank Group's ability to compete effectively depends on many factors, including its ability to maintain its reputation, the quality of its services and advice, its intellectual capital, product innovation, execution ability, pricing, sales efforts and the talent of its employees. Any failure by Rabobank Group to maintain its competitive position could have a material adverse effect on Rabobank Group's results of operations.

Business environment

Concerns about geopolitical developments (such as the renewed tensions surrounding Iran's nuclear program since November 2011), social unrest (such as the continuing turmoil in certain Middle Eastern and North African countries), oil prices and natural disasters, among other things, can affect the global financial markets. Since the beginning of the 21st century accounting and corporate governance scandals have significantly undermined investor confidence from time to time. The occurrence of any such developments and events could have a material adverse effect on Rabobank Group's results of operations.

Terrorist acts, other acts of war or hostility, civil unrest, geopolitical, pandemic or other such events

Terrorist acts, other acts of war or hostility, civil unrest, geopolitical, pandemic or other such events and responses to those acts/events may create economic and political uncertainties, which could have a negative impact on Dutch and international economic conditions generally, and more specifically on the business and results of Rabobank Group in ways that cannot necessarily be predicted. The occurrence of any such events could have a material adverse effect on Rabobank Group's results of operations.

Key employees

Rabobank Group's success depends to a great extent on the ability and experience of its senior management and other key employees. The loss of the services of certain key employees, particularly to competitors, could have a material adverse effect on Rabobank Group's results of operations. The failure to attract or retain a sufficient number of appropriate employees could significantly impede Rabobank Group's financial plans, growth and other objectives and have a material adverse effect on Rabobank Group's results of operations.

Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme

The Notes may not be a suitable investment for all investors

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 or 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 Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential Investor's Currency (as defined in "Risks related to the market generally — Exchange rate risks and exchange controls");

(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 for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

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 the most common of which are set out below:

Notes subject to optional redemption by the Issuer

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

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

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Range Accrual Notes, CMS Linked Notes, Equity Linked Notes, Index Linked Notes, FX Linked Notes and Dual Currency Notes

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

(i) the market price of such Notes may be volatile;

(ii) they may risk losing part of, or their entire investment, for example, if exchange rates or any other relevant index moves sufficiently in an unanticipated direction;

(iii) payment of principal or interest may occur at a different time or in a different currency than expected;

(iv) the amount of principal payable on redemption may be less than the nominal amount on such Notes or even zero;

(v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;

(vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable will likely be magnified;

(vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield; and

(viii) Notes may contain broad calculation agent discretions to interpret, change or redeem the Notes, where such discretions are not required to be exercised in the interests of Noteholders.

Range Accrual Notes, CMS Linked Notes and Index Linked Notes (as defined in the ''Terms and Conditions of the Notes'') differ from ordinary debt securities in that amounts due in respect of principal and/or interest will be dependent upon the performance of the underlying Reference Rate, CMS Rate or Index, which itself may contain substantial credit, interest rate or other risks. Additionally, for Index Linked Notes, the Final Terms may provide for the Notes to be adjusted or redeemed on the occurrence of certain specified events affecting the Index or the Index Sponsor (as defined in the ''Terms and Conditions of the Notes''). Furthermore, where Additional Disruption Events and Change in Law and/or Hedging Disruption and/or Increased Cost of Hedging are specified as applying in the relevant Final Terms, the Notes will be subject to adjustment or may be redeemed on the occurrence of disruptions to, or certain specified events affecting, the Issuer's and/or its Affiliates' related hedging arrangements.

Equity Linked Notes differ from ordinary debt securities in that the amount of principal and/or interest payable by the Issuer will depend on the market value of the Underlying Securities (as defined in the ''Terms and Conditions of the Notes''). Additionally, where Potential Adjustment Event, Merger Event, Tender Offer and/or Nationalisation, Delisting or Insolvency (each as defined in the ''Terms and Conditions of the Notes'') are specified as applying in the relevant Final Terms, the Notes will be subject to adjustment or may be redeemed on the occurrence of certain specified events affecting the Underlying Security or the Company (as defined in the ''Terms and Conditions of the Notes'') that has issued the Underlying Security. Furthermore, where Additional Disruption Events and Change in Law and/or Hedging Disruption and/or Increased Cost of Hedging are specified as applying in the relevant Final Terms, the Notes will be subject to adjustment or may be redeemed on the occurrence of disruptions to, or events affecting, the Issuer's and/or its Affiliates' related hedging arrangements. If Dual Currency has been declared applicable in the relevant Final Terms, payments (whether in respect of repayment or interest and whether at maturity or otherwise) will be made in such currencies and based on such rates of exchange as may be specified in the relevant Final Terms. The Noteholder may be exposed to currency risk in such event.

For Equity Linked Redemption Notes, where the Notes relate to Underlying Securities originally quoted, listed and/or dealt in as of the Issue Date (as defined in the ''Terms and Conditions of the Notes'') in a currency of a member state of the European Union that has not adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, if such Underlying Securities are at any time after the Issue Date quoted, listed and/or dealt in exclusively in euro on the relevant Exchange, then the Notes will be subject to such adjustment as the Calculation Agent as defined in the relevant Final Terms determines to be appropriate to preserve the economic terms of the Notes.

Equity Linked Notes will not represent a claim against or an investment in any issuer of any underlying securities and Noteholders will not have any right of recourse under the Notes to any such issuer or the underlying securities. The Notes are not in any way sponsored, endorsed or promoted by any issuer of any underlying securities and such companies have no obligation to

take into account the consequences of their actions for any Noteholders. Accordingly, the issuer of any underlying securities may take any actions in respect of such Underlying Securities without regard to the interests of the purchasers of the Notes, and any of these actions could adversely affect the market value of the Notes.

FX Linked Notes have a different risk profile to ordinary debt securities. Fluctuations in exchange rates of the relevant currency (or basket of currencies) will affect the nature and value of the investment return on the FX Linked Notes. Furthermore, investors who intend to convert gains or losses from the redemption, exercise or sale of FX Linked Notes into their home currency may be affected by fluctuations in exchange rates between their home currency and the relevant currency (or basket of currencies). The performance of currency values is dependent upon the supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and the safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks, regardless of other market forces.

Where the FX Linked Notes are denominated in an emerging market currency or linked to one or more emerging market currencies, such emerging market currency or currencies can experience significantly more volatility and less certainty with respect to their future levels or the rate of exchange against other currencies than currencies of more developed markets. Emerging market currencies are highly exposed to the risk of a currency crisis happening in the future and this could trigger the need for the Calculation Agent to make adjustments to the terms and conditions of the Notes.

Governments have imposed from time to time, and may in the future impose, exchange controls that could also affect the availability of a relevant currency. Even if there are no actual exchange controls, it is possible that a relevant currency would not be available when payments on the relevant FX Linked Note are due.

Settlement Disruption Events

In the case of Notes for which Physical Settlement is specified as applicable in the relevant Final Terms, if a Settlement Disruption Event occurs or exists on the Delivery Date, settlement or redemption, as the case may be, will be postponed until the date on which no Settlement Disruption Event is subsisting. The Issuer, while the Settlement Disruption Event is continuing, also has the right to pay the Disruption Cash Settlement Price in lieu of physical settlement.

Partly Paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Variable Rate Notes with a multiplier or other leverage factor

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. In addition, Variable Rate Notes may include an option for the Issuer to change the rate of interest at its own discretion and without the prior consent of the Noteholders.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. 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

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

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

Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

Modification, waivers and substitution

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

The Terms and Conditions may be amended by the Issuer (i) for the purposes of curing any ambiguity or for curing, correcting or supplementing any defective provision contained therein or (ii) in any manner which the Issuer may deem necessary or desirable and which shall not materially adversely affect the interests of the holders of the Notes, Receipts and Coupons (as defined in the ''Terms and Conditions of the Notes''), to all of which each holder of Notes, Receipts and Coupons shall, by acceptance thereof, consent. The Terms and Conditions also provide for the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 15 of the Notes.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the ''**Savings Directive**'') (see ''Taxation — EU Savings Directive'' below), Member States are required, from 1 July 2005, to provide to the tax authorities of another Member State details of payment of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries).

Also with effect from 1 July 2005, a number of non-EU countries and certain dependent or associated territories of certain Member States have agreed to adopt similar measures (either provision of information or transitional withholding) (a withholding system in the case of Switzerland) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories. If, following implementation of the Savings Directive, a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on payment made by a Paying Agent (as defined in the ''Terms and Conditions of the Notes'') following implementation of the Savings Directive, the Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Savings Directive.

The European Commission has proposed certain amendments to the Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

U.S. Foreign Account Tax Compliance Withholding

The Hiring Incentives to Restore Employment Act, which was enacted in early 2010, contains provisions (''**FATCA**'') similar to the former Foreign Account Tax Compliance Act of 2009. FATCA imposes a 30% withholding tax on certain payments to certain non-US financial institutions (including entities such as the Issuer) who do not enter into and comply with an agreement with the United States Internal Revenue Service (''**IRS**'') to provide certain information on its account holders.

The relevant rules have not yet been finalised and the future application of FATCA to the Issuer and the holders of Notes is uncertain. The Issuer has not decided whether it will enter into an agreement with the IRS. If the Issuer determines that it must comply with FATCA in order to receive certain payments free of U.S. withholding tax, holders may be required to provide certain information or be subject to withholding on certain payments made to them after January 1, 2017, at the earliest. If a holder is subject to withholding on account of FATCA, there will be no additional amount payable by way of compensation to the holder for the deducted amount.

FATCA IS PARTICULARLY COMPLEX AND ITS APPLICATION TO THE ISSUER IS UNCERTAIN AT THIS TIME. EACH HOLDER OF NOTES SHOULD CONSULT ITS OWN TAX ADVISOR TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW THIS LEGISLATION MAY AFFECT EACH HOLDER IN ITS PARTICULAR CIRCUMSTANCE.

Dutch Intervention Act

In October 2011 the Dutch Minister of Finance submitted a bill to the Dutch Parliament called the ''Intervention Act''. The Intervention Act would amend the Dutch Financial Supervision Act and the Dutch Insolvency Act and set out what actions can be taken by Dutch authorities when banks and insurers fail and cannot be wound up under ordinary insolvency rules due to concerns regarding the stability of the overall financial system. The proposal provides for two categories of measures. The first category includes measures related to the timely and efficient liquidation of failing banks and insurers and would give the DNB the power to transfer customer deposits, assets and/or liabilities other than deposits and shares of an entity to third parties or to a bridge bank. The DNB would also be granted the power to influence the internal decision making of failing institutions. The second category includes measures intended to safeguard the stability of the financial system as a whole and grants special powers to the Minister of Finance, including the power to take ownership of failing financial institutions. The Intervention Act also includes proposals to limit the ability of counterparties to exercise their rights after any of the measures mentioned above has been put into place. On 14 February 2012, the Intervention Act was adopted by the House of Representatives (*Tweede Kamer*) of the Dutch Parliament. The Intervention Act has been introduced to the Senate (*Eerste Kamer*) of the Dutch Parliament but has not yet been approved by it as at the date of this Base Prospectus. If approved, the Intervention Act is expected to enter into force before the end of 2012. The Issuer is unable to predict what effects, if any, the Intervention Act (if passed) may have on the financial system generally, the Issuer's counterparties, or on the Issuer, its operations or its financial position.

The European Commission launched a number of proposals for a comprehensive framework for dealing with failing banks (the ''**EU Proposals**''). The measures contemplated in the EU Proposals are similar to the measures of the Intervention Act. In addition the EU Proposals introduce powers for regulators to write down debt of a failing bank (or to convert such debt into equity) to strengthen its financial position and allow it to continue as a going concern subject to appropriate restructuring. It is at this stage uncertain if any of the EU Proposals will be adopted and if so, when and in what form.

If the Intervention Act and/or any of the EU Proposals were to be adopted, this could negatively affect the position of Noteholders.

Change of law

The Terms and Conditions of the Notes are based on the laws of the Netherlands in effect at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of the Netherlands or administrative practice after the date of this Base Prospectus.

Minimum Specified Denomination

In relation to any issue of bearer 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 Noteholder 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 may not receive a definitive bearer Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a minimum Specified Denomination.

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

Risk related to Notes denominated in Renminbi

The Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the PRC

The Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between the Renminbi and foreign currencies despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts. Participating banks in Hong Kong have been permitted to engage in the settlement of RMB trade transactions under a pilot scheme introduced in July 2009. This represents a current account activity. The pilot scheme was extended in August 2011 to cover the entire PRC and to make RMB trade and other current account item settlement available worldwide.

For further details in respect of remittance of Renminbi into and outside the PRC, see "Remittance of Renminbi into and outside the PRC".

There is no assurance that the PRC government will continue gradually to liberalise the control over cross-border RMB remittances in the future, that the pilot scheme introduced in July 2009 will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC.

Holders of beneficial interests in Notes denominated in Renminbi may be required to provide certifications and other information (including Renminbi account information) in order to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the CNH Notes and the Issuer's ability to source Renminbi outside the PRC to service CNH Notes

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. Since February 2004, in accordance with arrangements between the PRC central government and the Hong Kong government, licensed banks in Hong Kong may offer limited Renminbi-denominated banking services to Hong Kong residents and specified business customers. The People's Bank of China ("**PBOC**"), the central bank of the PRC, has also established a Renminbi clearing and settlement system for participating banks in Hong Kong. On 19 July 2010, further amendments were made to the settlement agreement on the Clearing of RMB Business (the "**Settlement Agreement**") between the PBOC and the Bank of China (Hong Kong) Limited (the "**RMB Clearing Bank**") to expand further the scope of RMB business for participating banks in Hong Kong. Pursuant to the revised arrangements, all corporations are allowed to open RMB accounts in Hong Kong; there is no longer any limit on the ability of corporations to convert RMB; and there will no longer be any restriction on the transfer of RMB funds between different accounts in Hong Kong.

However, the current size of Renminbi-denominated financial assets outside the PRC is limited. As at 31 January 2012, the total amount of Renminbi deposits held by institutions authorised to engage in Renminbi banking business in Hong Kong amounted to approximately RMB576 billion. In addition, participating banks are also required by the Hong Kong Monetary Authority to maintain a total amount of Renminbi (in the form of cash and its settlement account balance with the RMB Clearing Bank) of no less than 25 per cent. of their Renminbi deposits, which further limits the availability of Renminbi that participating banks can utilise for conversion services for their customers. Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC. The RMB Clearing Bank only has access to onshore liquidity support from PBOC to square open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement and for individual customers of up to RMB20,000 per person per day. The RMB Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from the offshore market to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Agreement will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of the CNH Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service the CNH Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Investment in the CNH Notes is subject to exchange rate risks and the Issuer may make payments of interest and principal in U.S. dollars in certain circumstances

The value of the Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. In addition, although the Issuer's primary obligation is to make all payments of interest and principal or other amounts with respect to the CNH Notes in Renminbi, in certain circumstances, and if so specified, the terms of the Notes allow the Issuer to delay any such payment and/or make payment in U.S. dollars or another specified currency at the prevailing spot rate of exchange, and/or cancel or redeem such Notes, all as provided for in more detail in the Notes (see Condition 11*(i)*). As a result, the value of these Renminbi payments may vary with the prevailing exchange rates in the marketplace. If the value of the Renminbi depreciates against the U.S. dollar or other foreign currencies, the value of a CNH Noteholder's investment in U.S. dollars or other applicable foreign currency terms will decline.

Payments in respect of the CNH Notes will only be made to investors in the manner specified in the CNH Notes

All payments to investors in respect of the CNH Notes will be made solely by (i) when CNH Notes are represented by a Global Note or a Global Certificate, transfer to a Renminbi bank account maintained in Hong Kong, in accordance with prevailing CMU rules and procedures, or (ii) when CNH Notes are in definitive form, transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in bank notes, by cheque or draft, or by transfer to a bank account in the PRC).

Risks related to payment of Notes in an Alternative Currency

The Issuer's primary obligation is to make all payments of interest and principal with respect to Notes in the relevant Specified Currency (or, in the case of Dual Currency Notes, the currency in which payment is otherwise to be made on such Notes). However, if so specified in the Notes, in the event access to the Specified Currency becomes restricted to the extent that, by reason of a Scheduled Payment Currency Disruption Event (as defined in the Conditions), it would, (having been requested to make such a determination by the Issuer) in the opinion of the nominated adjudication agent (which may be the Issuer, if so specified), be commercially impracticable for the Issuer to pay interest or principal in the Specified Currency, the Issuer may in its sole and absolute discretion (i) postpone the payment of any such amounts, (ii) make any such payment in the relevant Alternative Currency at the rates, and in the manner, set out in Condition 11*(i)* and the relevant Final Terms, (iii) postpone the payment and make such payment in the relevant Alternative Currency or (iv) cancel or redeem the Notes.

Risks related to the market generally

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

The secondary market generally

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

secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Notes issued under the Programme may or may not be listed on a stock exchange or regulated market. In cases where Notes are not listed, pricing information may be more difficult to obtain, and the liquidity and market prices of such Notes may be adversely affected.

If additional Notes are subsequently issued, the supply of such Notes in the market will increase and may cause the price at which the relevant Notes trade in the secondary market to decline significantly.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency (as defined in the "Terms and Conditions of the Notes"). 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 significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes. If the Notes are denominated in a currency other than the currency of the country in which the Noteholder is resident, the Noteholder is exposed to the risk of fluctuations in the exchange rate between the two aforementioned currencies. The Noteholder may also be exposed to a foreign exchange risk if the reference obligation is denominated, or based on prices, in a currency other than the currency in which the relevant Note is denominated. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

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

Credit ratings may not reflect all risks

One or 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 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.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral 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.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus is to be read in conjunction with the relevant Final Terms and the following documents which have been previously published or are published simultaneously with this Base Prospectus and that have been approved by the AFM or filed with it and shall be incorporated in, and form part of, this Base Prospectus:

(a) the articles of association of Rabobank Nederland, last amended on 23 June 2011;

(b) the Terms and Conditions of the Rabobank Nederland Global Medium-Term Note programmes for which the respective Offering Circulars are dated 7 October 2003, 15 October 2004, 11 July 2005, 31 May 2006, 14 May 2007, 13 May 2008, 8 May 2009, 6 May 2010 and for which the Base Prospectus is dated 6 May 2011;

(c) the consolidated financial statements of Rabobank Group for the years ended 31 December 2009, 2010 and 2011; and

(d) the non-consolidated financial statements of Rabobank Nederland for the years ended 31 December 2009, 2010 and 2011,

save that any statement contained in this Base Prospectus or in any of the documents incorporated by reference in, and forming part of, this Base Prospectus shall be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document which is subsequently incorporated by reference herein by way of a supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such statement.

The Issuer will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the request of such person, a copy of any or all of the documents incorporated herein by reference unless such documents have been modified or superseded as specified above, in which case the modified or superseding version of such document will be provided. Requests for such documents should be directed to the Issuer at its office set out at the end of this Base Prospectus. In addition, such documents will be available, without charge, from the principal office in the Netherlands of Rabobank International (as Euronext Amsterdam Listing Agent) for Notes listed on Euronext Amsterdam and from the principal office in England of the Arranger and of the Paying Agent in Luxembourg.

The contents of websites referenced in this Base Prospectus do not form any part of this Base Prospectus.

SUPPLEMENTARY PROSPECTUS

This Base Prospectus is a base prospectus for purposes of the Prospectus Directive and Dutch securities laws and has been approved by the AFM on 9 May 2012 in accordance with the provisions of the Prospectus Directive and Dutch securities laws.

The Issuer has agreed, in connection with any listing of the Notes on the Luxembourg Stock Exchange, to supply the Luxembourg Stock Exchange with such documents and information as may be necessary in connection with the listing of the Notes on the Luxembourg Stock Exchange. The Issuer will prepare a revised or supplemental Base Prospectus setting out the changes in the operations and financial condition of the Issuer at least every year after the date of this Base Prospectus and each subsequent base prospectus.

The Issuer has given an undertaking to the Dealers that if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to information contained in this Base Prospectus which is capable of affecting the assessment of any Notes and whose inclusion in this Base Prospectus or removal is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and of the rights attaching to the Notes, the Issuer shall prepare and publish an amendment or supplement to this Base Prospectus or a replacement prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

From time to time the credit rating agencies may revise their ratings of the Issuer or the Issuer's securities or the outlooks on these ratings. Unless required by applicable law, the Issuer may not prepare a supplement to this Base Prospectus or publish a new prospectus for use in connection with any subsequent offer of the Notes in the event that one or more of these credit rating agencies revise their rating or their outlook on the ratings of the Issuer or the Issuer's securities.

IMPORTANT INFORMATION

Responsibility Statement

Rabobank Nederland (the "**Responsible Person**") accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge and belief of the Responsible Person (which has taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Where information has been sourced from a third party this information has been accurately reproduced and, as far as the Responsible Person is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

TO NEW HAMPSHIRE RESIDENTS: NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED ("RSA") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Available information under Rule 144A

Rabobank Nederland is exempt from reporting pursuant to Rule 12g3-2(b) under the U.S. Securities Exchange Act of 1934 (the "**Exchange Act**"). As long as Rabobank Nederland is exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, it will furnish its Annual Report and certain other periodic reports and information to the SEC. At such time of filing, Rabobank Nederland will be exempt from providing the information required under Rule 144A(d)(4) described in the paragraph below.

Rabobank Nederland has agreed that, for so long as any Notes issued by it are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, it will, during any period in which it is neither subject to section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner upon the request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the Securities Act. Rabobank Nederland is not, nor does it intend to become, a reporting company under section 13 or section 15(d) of the Exchange Act. Any such request for information should be directed to Rabobank Nederland at its office set out at the end of this Base Prospectus.

Presentation of financial information

The audited consolidated financial statements for the years ended 31 December 2009, 31 December 2010 and 31 December 2011 and the corresponding summary figures incorporated by reference in this Base Prospectus have been prepared in accordance with International Financial Reporting Standards as adopted by the EU pursuant to EU Regulation No 1606/2002 (IFRS).

Change in accounting policies and certain restatements

As a result of changes in accounting policies and presentation, certain figures for Rabobank Group for the year ended 31 December 2010 in this Base Prospectus have been restated. See the Rabobank Group consolidated financial statements 2011, under note 2.1.1 "Change in accounting policies and presentation" for further information.

Forward-looking statements

This Base Prospectus includes ''forward-looking statements'' within the meaning of section 27A of the Securities Act and section 21E of the Exchange Act. All statements other than statements of historical facts included in this Base Prospectus, including, without limitation, those regarding the Issuer's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to the Issuer's products), are forward-looking statements.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer's present and future business strategies and the environment in which the Issuer will operate in the future.

The important factors that could cause the Issuer's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, changes or downturns in the Dutch economy or the economies in other countries in which the Issuer conducts business and the impact of fluctuations in foreign exchange rates and interest rates.

These forward-looking statements speak only as of the date of this Base Prospectus. Other than as required by law or the rules and regulations of the relevant stock exchange, the Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Special considerations

Index Linked Notes are not in any way sponsored, endorsed, sold or promoted by the Index Sponsor and the Index Sponsor makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the Index and/or the figure at which the Index stands at any particular time on any particular day or otherwise. Each Index is calculated by a third party independent from the Issuer and, therefore, the Issuer will not accept any liability for any act or failure to act by the relevant Index Sponsor in connection with, among other things, the calculation, adjustment, maintenance or cancellation of the Index.

Equity Linked Notes are not in any way sponsored, endorsed, sold or promoted by the issuer of the Underlying Securities and the issuer of the Underlying Securities makes no warranty or representation whatsoever, express or implied, as to the future performance of the Underlying Securities.

With respect to FX Linked Notes, the Issuer makes no warranty or representation whatsoever, express or implied, as to the future performance of the relevant currency rate(s) or the value or level derived from a formula or index relating to one or more currency rate(s) or a combination thereof.

The Issuer, including its branches and any group company, is acting solely in the capacity of an arm's length contractual counterparty and not as a purchaser's financial adviser or fiduciary in any transaction unless the Issuer has agreed to do so in writing.

A prospective purchaser may not rely on the Issuer, the Dealers or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above and none of the Issuer nor the Dealers nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective purchaser of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it.

GENERAL DESCRIPTION OF THE PROGRAMME

The following general description does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the relevant Final Terms. Words and expressions defined in ''Terms and Conditions of the Notes'' below shall have the same meanings in this general description. The Bank may agree with any Dealer that Notes may be issued in a form other than that contemplated in ''Terms and Conditions of the Notes'' herein, in which event (in the case of listed Notes only) a supplement to this Base Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

The following general description is qualified in its entirety by the remainder of this Base Prospectus.

Issuer:	Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland), including issuing through: Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) Australia Branch Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) Singapore Branch
Description:	Global Medium-Term Note Programme
Date:	9 May 2012
Size:	Up to EUR 160,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
Use of proceeds:	The net proceeds from the issues of the Notes will be used by the Issuer in connection with its banking business.
Arranger:	Credit Suisse Securities (Europe) Limited
Dealers:	Barclays Bank PLC BNP PARIBAS Citigroup Global Markets Limited Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International) Credit Suisse Securities (Europe) Limited Daiwa Capital Markets Europe Limited Goldman Sachs International HSBC Bank plc J.P. Morgan Securities Ltd. Merrill Lynch International Mizuho International plc Morgan Stanley & Co. International plc Nomura International plc RBC Europe Limited The Royal Bank of Scotland plc The Toronto-Dominion Bank UBS Limited The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to ''Permanent Dealers'' are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to ''Dealers'' are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
Fiscal Agent:	Deutsche Bank AG, London Branch

Method of Issue: The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in Series having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in Tranches on the same or different issue dates. The specifics of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first interest payment and nominal amount, will be identical to the terms of other Tranches of the same Series) will be set out in Final Terms.

Issue Price: Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.

Form of Notes: The Notes may be issued in bearer form only (''**Bearer Notes**''), in bearer form exchangeable for Registered Notes (''**Exchangeable Bearer Notes**'') or in registered form only. Each Tranche of Bearer Notes and Exchangeable Bearer Notes will initially be represented by a temporary Global Note, without interest coupons, which will be deposited on the issue date with (i) a Common Depositary on behalf of Euroclear and Clearstream, Luxembourg in the case of a temporary Global Note which is in CGN form and (ii) a Common Safekeeper for Euroclear and Clearstream, Luxembourg or otherwise delivered as agreed between the Issuer and the relevant Dealer in the case of a temporary Global Note which is in NGN form. No interest will be payable in respect of a temporary Global Note except as described under ''Summary of Provisions Relating to the Notes while in Global Form''. Interests in a temporary Global Note will be exchangeable for interests in a permanent Global Note or, if so stated in the relevant Final Terms, for Definitive Notes, after the date falling 40 days after the completion of the distribution of the Tranche as certified in writing by the relevant Dealer upon certification as to non-U.S. beneficial ownership. Interests in a permanent Global Note will be exchangeable for Definitive Notes in bearer form or (in the case of Exchangeable Bearer Notes) registered form as described under ''Summary of Provisions Relating to the Notes while in Global Form''. Only Rabobank Nederland may issue Bearer Notes in NGN form.

Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series and may be represented by a Global Certificate. Unrestricted Notes in registered form will initially be represented by an Unrestricted Global Certificate, without interest coupons, which may be deposited on the issue date (a) in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream, Luxembourg, with (i) (in respect of Global Certificates which are not held under the NSS) a Common Depositary on behalf of Euroclear and Clearstream, Luxembourg or (ii) (in respect of Global Certificates which are held under the NSS), a Common Safekeeper for Euroclear and Clearstream, Luxembourg or (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream, Luxembourg, DTC or delivered outside a clearing system, as agreed between the Issuer and the relevant Dealer. Restricted

Notes in registered form will initially be represented by a Restricted Global Certificate, without interest coupons, which may be deposited on the issue date either (a) (i) (in respect of Global Certificates which are not held under the NSS) with a Common Depositary on behalf of Euroclear and Clearstream, Luxembourg or (ii) (in respect of Global Certificates which are held under the NSS), a Common Safekeeper for Euroclear and Clearstream, Luxembourg or (b) with a custodian for, and registered in the name of Cede & Co. as nominee for, DTC. Only Rabobank Nederland may issue Notes which are offered and sold in the United States to ''qualified institutional buyers'' pursuant to Rule 144A and are issued as Restricted Notes or Notes represented by a Restricted Global Certificate.

Beneficial interests in Global Certificates held by Euroclear, Clearstream, Luxembourg and/or DTC will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear, Clearstream, Luxembourg and/or DTC and their participants. See ''Clearing and Settlement''.

The provisions governing the exchange of interests in a Global Note for another Global Note and Definitive Notes and the exchange of interests in each Global Certificate for individual Certificates are described in ''Summary of Provisions Relating to the Notes while in Global Form''. Interests in Global Certificates may be exchanged for individual Certificates in certain circumstances. See ''Summary of Provisions Relating to the Notes while in Global Form'' and ''Clearing and Settlement''.

Clearing Systems: Clearstream, Luxembourg, Euroclear, DTC, Clearstream Banking AG and Euroclear France and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer.

Initial Delivery of Notes: On or before the issue date for each Tranche, if the relevant Global Note representing Bearer Notes or Exchangeable Bearer Notes is an NGN or the relevant Global Certificate is held under the NSS, the Global Note or Global Certificate will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. On or before the Issue Date for each Tranche, if the relevant Global Note representing Bearer Notes or Exchangeable Bearer Notes is a CGN or the Global Certificate representing Registered Notes is not held under the NSS, such Global Note or Global Certificate may (or, in the case of Notes to be listed on the Luxembourg Stock Exchange, shall) be deposited with a Common Depositary for Euroclear and Clearstream, Luxembourg. Global Notes or Global Certificates relating to Notes that are not listed on the Luxembourg Stock Exchange may also be deposited with Clearstream Banking AG, Euroclear France or any other clearing system or may be delivered outside any clearing system provided that, save in the case of delivery to Clearstream Banking AG or Euroclear France, the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.

Currencies: Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers, except that, at the date hereof, only Rabobank Nederland may issue Notes denominated in sterling.

Maturities:	Subject to compliance with all relevant laws, regulations and directives, any maturity between seven days and perpetuity.
Denomination:	Definitive Notes will be in such denominations as may be specified in the relevant Final Terms. Registered Notes will be in amounts of the denomination or integral multiples thereof specified in the relevant Final Terms. Individual Certificates will only be available, in the case of Notes initially represented by an Unrestricted Global Certificate, in amounts specified in the relevant Final Terms, and, in the case of Notes initially represented by a Restricted Global Certificate and sold pursuant to Rule 144A, in amounts of U.S.$100,000 (or its equivalent rounded upwards as agreed between the Issuer and the relevant Dealer(s)), or higher integral multiples of U.S.$1,000, in certain limited circumstances described in ''Summary of Provisions Relating to the Notes while in Global Form'' and ''Clearing and Settlement''.
Fixed Rate Notes:	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.
Floating Rate Notes:	Floating Rate Notes will bear interest determined separately for each Series 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 published by the International Swaps and Derivatives Association, Inc. or (ii) by reference to EURIBOR, LIBOR, LIBID or LIMEAN or (or such other benchmark as may be specified in the relevant Final Terms) as adjusted for any applicable margin or (iii) using any other method of determination as may be provided in the relevant Final Terms. Interest periods will be specified in the relevant Final Terms.
Inverse Floating Rate Notes:	Inverse Floating Rate Notes will bear interest calculated as follows: (i) by subtracting from a specified margin, a floating rate of interest calculated in the manner described in sub-paragraphs (i) and (ii) above under the heading ''Floating Rate Notes'' or (ii) by applying one of the formulae specified in Condition 6(d) or (iii) by using any other method of determination as may be provided in the relevant Final Terms.
Range Accrual Notes:	Payments of interest in respect of Range Accrual Notes shall be calculated by reference to a specified range of interest rates by applying one of the formulae specified in Condition 6(f) or by using any other method of determination as may be provided in the relevant Final Terms.
Original Issue Discount Notes (including Zero Coupon Notes):	Original Issue Discount Notes may be issued at their nominal amount or at a discount and may or may not bear interest.
Dual Currency Notes:	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the relevant Final Terms.
CMS Linked Notes:	Payments of interest in respect of CMS Linked Notes shall be calculated by reference to one or more CMS Rates by applying one of the formulae specified in Condition 6(e) or by using any other method of determination as may be provided in the relevant Final Terms.
Equity Linked Notes:	Payments of principal in respect of Equity Linked Redemption Notes or of interest in respect of Equity Linked Interest Notes will be calculated by reference to a single equity security or basket of equity securities on such terms as may be specified in the

relevant Final Terms. Equity Linked Redemption Notes may be settled at maturity or otherwise by receipt by the Noteholder(s) of a Final Redemption Amount or by delivery of the Underlying Securities, in each case as specified in the relevant Final Terms.

FX Linked Notes: Payments of principal in respect of FX Linked Redemption Notes or of interest in respect of FX Linked Interest Notes will be calculated by reference to a foreign exchange rate or a basket of foreign exchange rates and/or a formula specified in the Final Terms or a combination thereof, on such terms as may be specified in the relevant Final Terms. FX Linked Redemption Notes may be settled at maturity or otherwise by receipt by the Noteholder(s) of a Final Redemption Amount, in each case as specified in the relevant Final Terms.

Index Linked Notes: Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to a single index or basket of indices and/or formula on such terms as may be specified in the relevant Final Terms.

Other Notes: Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, reverse dual currency Notes, optional dual currency Notes, partly-paid Notes and any other type of Note that the Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Final Terms.

Interest Periods and Interest Rates: The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.

Redemption: The Final Terms will specify the basis for calculating the redemption amounts payable, which may be by reference to a stock, index or formula or as otherwise provided in the relevant Final Terms.

Redemption by Instalments: The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

Optional Redemption: The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders, and if so the terms applicable to such redemption.

Early Redemption: Except as provided in ''Optional Redemption'' above, Notes will be redeemable at the option of the Issuer prior to maturity (i) for tax reasons, (ii) in the case of Equity Linked Notes, and the Notes so specify, for reasons affecting an Underlying Security or its Company, (iii) in the case of Index Linked Notes, for reasons affecting the Index or its Index Sponsor, (iv) in the case of FX Linked Notes for reasons affecting the FX Rate or FX Rate Sponsor, and (v) in the case of Equity Linked Notes, Index Linked Notes, FX Linked Notes and other Notes under which amounts payable may be determined by reference to a formula, and the Notes so specify, for reasons of disruption to, or increase in cost of, the Issuer's or its Affiliates' related hedging arrangements. See ''Terms and Conditions of the Notes — Redemption, Purchase and Options''. In certain cirumstances,

	Notes may also be redeemed automatically prior to the relevant Maturity Date, as provided further in ''Terms and Conditions of the Notes — Redemption, Purchase and Options''.
Status of Notes:	The Notes will constitute unsubordinated and unsecured obligations of the Issuer all as described in ''Terms and Conditions of the Notes''.
Cross Default:	See ''Terms and Conditions of the Notes — Events of Default''.
Negative Pledge:	See ''Terms and Conditions of the Notes — Negative pledge''.
Rating:	Senior long term Notes issued under the Programme by Rabobank Nederland and Rabobank Singapore Branch are expected to be rated AA by Fitch and Senior long term Notes issued under the Programme by Rabobank Australia Branch are expected to be rated AA by Fitch Australia. Senior unsecured Notes issued under the Programme are expected to be rated Aaa by Moody's. Senior Notes with a maturity of one year or more issued under the programme are expected to be rated AA by Standard & Poor's. Tranches of Notes to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating assigned to the Notes already issued. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without prior notice.
Taxation:	Rabobank Nederland is a Dutch resident for tax purposes. For the Dutch tax consequences for Noteholders see ''Taxation''.
Withholding Tax:	All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of the Netherlands, Australia or Singapore, as the case may be, subject to the exceptions and limitations as described in ''Terms and Conditions of the Notes — Taxation''.
Governing Law:	The laws of the Netherlands.
Listing:	Euronext Amsterdam, the Official List of the Luxembourg Stock Exchange, or as otherwise specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of Notes may be unlisted.
Risk Factors:	The purchase of Notes may involve substantial risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. A description of the material risks relating to the Notes and to the Issuer is contained under the heading ''Risk Factors''.
Selling Restrictions:	United States, European Economic Area, United Kingdom, the Netherlands, Australia, Singapore, the Republic of France, Japan, Hong Kong, United Arab Emirates, Dubai International Financial Centre, Qatar, the Republic of Italy, Austria, Brazil, Israel, Monaco and Taiwan. See ''Plan of Distribution''. For the purposes of Regulation S, Category 2 selling restrictions shall apply. In the case of Bearer Notes offered to non-U.S. persons and certain eligible U.S. persons, such Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the ''**D Rules**'') unless (i) the relevant Final Terms states that the Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the ''**C Rules**'') or (ii) the Notes are issued other

	than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute ''registration required obligations'' for U.S. federal income tax purposes, which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable. In the case of a distribution under Rule 144A, Notes will be issued in registered form, as defined in U.S. Temp. Treas. Reg. §5f.103-1(c).
Transfer Restrictions:	There are restrictions on the transfer of Registered Notes offered and sold pursuant to Rule 144A. See ''Transfer Restrictions'' and ''Plan of Distribution''.

TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. These terms and conditions as completed, amended, supplemented or varied by the relevant Final Terms (and subject to simplification by the deletion of non-applicable provisions) (the "**Conditions**") shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Final Terms. Those definitions will be endorsed on the Definitive Notes or Certificates, as the case may be. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes are issued pursuant to an Agency Agreement (as amended or supplemented at the date of issue of the Notes (the "**Issue Date**"), the "**Agency Agreement**") dated 9 May 2012, between Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) ("**Rabobank Nederland**" or the "**Issuer**"), acting through its head office or through one of the following of its branches, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) Australia Branch ("**Rabobank Australia Branch**") and Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) Singapore Branch ("**Rabobank Singapore Branch**"), Deutsche Bank AG, London Branch as fiscal agent and the other agents named in it and with the benefit of a Covenant (as amended or supplemented at the Issue Date, the "**Covenant**") dated 9 May 2012 executed by the Issuer and the fiscal agent in relation to the Notes. The fiscal agent, the paying agents, the registrar, the exchange agent, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below, respectively, as the "**Fiscal Agent**", the "**Principal Paying Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent), the "**Registrar**", the "**Exchange Agent**", the "**Transfer Agents**" and the "**Calculation Agent(s)**" and "**Agent**" shall mean any one of them. The Noteholders (as defined below), the holders of the interest coupons (the "**Coupons**") relating to interest-bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "**Talons**") (the "**Couponholders**") and the holders of the receipts for the payment of instalments of principal (the "**Receipts**") relating to Notes in bearer form of which the principal is payable in instalments (the "**Receiptholders**") are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

Copies of the Agency Agreement and the Covenant are available for inspection during normal business hours at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

As used in these Conditions, "**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) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

1 Definitions

(a) In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Additional Disruption Event**" means Change in Law, Hedging Disruption, Increased Cost of Hedging, or any other Additional Disruption Event, in each case if specified in the relevant Final Terms.

"**Affected Index**" means, in respect of Index Linked Notes that relate to a Basket of Indices, an Index for which an Index Valuation Date or Averaging Date is affected by the occurrence of a Disrupted Day.

"**Affected Security**" means, in respect of Equity Linked Notes that relate to a Basket of Underlying Securities, an Underlying Security for which an Equity Valuation Date or Averaging Date is affected by the occurrence of a Disrupted Day.

"**Affected Underlying Securities**" has the meaning contained in Condition 7(f)(iii).

"**Affiliate**" means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person (for such purposes, "**control**" of any entity or person means ownership of a majority of the voting power of the entity or person) and "**controlled by**" or "**controls**" shall be construed accordingly.

"**Amortisation Yield**" shall have the meaning contained in Condition 7(b)(i)(B).

"**Amortised Face Amount**" shall have the meaning contained in Condition 7(b)(i)(B).

"**Averaging Date**" means each date specified as an Averaging Date in the relevant Final Terms or, if such date is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless such day is a Disrupted Day in the opinion of the Calculation Agent. If such day is a Disrupted Day, then:

(i) in respect of an Index, the Averaging Date shall be determined in accordance with Condition 8(b)(ii);

(ii) in respect of an Underlying Security, the Averaging Date shall be determined in accordance with Condition 9(c)(ii); or

(iii) in respect of an FX Rate, each date specified as such or otherwise determined as provided in the relevant Final Terms, subject to any adjustment in accordance with the FX Business Day Convention.

"**Base Currency**" means the currency specified as such in the relevant Final Terms.

"**Basket**" means, in respect of Index Linked Notes, a Basket comprised of each Index specified in the Final Terms in the relative weighting specified in the Final Terms, in respect of Equity Linked Notes, a Basket comprised of each Underlying Security specified in the Final Terms in the relative proportion/number specified in the Final Terms and in respect of FX Linked Notes, a Basket comprised of each FX Rate specified in the Final Terms in the relative proportion/number specified in the Final Terms.

"**Bearer Notes**" shall have the meaning contained in Condition 2.

"**Broken Amount**" means, in respect of any Interest Payment Date, the amount specified in the relevant Final Terms.

"**Business Centre(s)**" shall have the meaning specified in the relevant Final Terms.

"**Business Day**" means (unless otherwise specified in the relevant Final Terms):

(i) in the case of a currency other than euro or Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency (which in the case of Australian Dollars shall be Sydney and in the case of New Zealand Dollars shall be Wellington); and/or

(ii) in the case of a currency other than Renminbi and/or one or more Business Centres, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centre(s); and/or

(iii) in the case of euro, a day on which TARGET is operating (a "**TARGET Business Day**"); and/or

(iv) in the case of Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business and settlement of payments in Renminbi in Hong Kong.

"**Calculation Agent**" means Deutsche Bank AG, London Branch or, if different, as specified in the relevant Final Terms.

"**Calculation Agent FX Determination**" means, in respect of any relevant day that the FX Rate for such relevant day (or a method for determining the FX Rate) will be determined by the Calculation Agent taking into consideration all available information that in good faith it deems relevant.

"**Calculation Amount**" shall have the meaning specified in the relevant Final Terms.

"**Certificates**" shall have the meaning contained in Condition 2.

"**Change in Law**" means that, on or after the Issue Date of any Notes (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer and/or any of its Affiliates determines in its sole and absolute discretion that (X) it has become illegal to hold, acquire or dispose of any relevant Underlying Security (in the case of Equity Linked Redemption Notes), any relevant security/commodity comprised in an Index (in the case of Index Linked Redemption Notes) or any relevant currency (in the case of FX Linked Redemption Notes) relating to its hedge position in respect of such Notes, or (Y) the Issuer will incur a materially increased cost in performing its obligations in relation to such Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates).

"**Clearing System Business Day**" means, in respect of a clearing system, any day on which such clearing system is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

"**Company**" means, in respect of an Underlying Security, the issuer of the Underlying Security specified as such in the relevant Final Terms.

"**Control**" shall have the meaning contained in Condition 15(c)(v).

"**Currency-Reference Dealers**" means, in respect of any relevant day, that the Calculation Agent will request each of the FX Reference Dealers to provide a quotation of its rate at which it will buy one unit of the Base Currency in units of the Reference Currency at the applicable Valuation Time on such relevant day. If, for any such rate, at least two quotations are provided, the relevant rate will be the arithmetic mean of the quotations. If fewer than two quotations are provided for any such rate, the relevant rate will be the arithmetic mean of the relevant rates quoted by major banks in the relevant market, selected by the Calculation Agent at or around the applicable Valuation Time on such relevant day.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the "**Calculation Period**"):

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

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

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

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

(iii) if "**Actual/365 (Sterling)**" is specified in the relevant 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 relevant Final Terms, the actual number of days in the Calculation Period divided by 360;

(v) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

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

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 a 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_1 will be 30;

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

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

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 a 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, in which case D_2 will be 30;

(vii) if "**30E/360 (ISDA)**" is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

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 a 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 (i) that day is the last day of February or (ii) 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 (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30; and

(viii) if "**Actual/Actual-ICMA**" is specified in the relevant Final Terms,

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of:

(x) the number of days in such Determination Period; and

(y) the number of Determination Periods normally ending in any year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year.

"**Delisting**" means, in respect of an Underlying Security, that the Exchange announces that, pursuant to the rules of such Exchange, the Underlying Security ceases (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and is not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union) and such Underlying Security is no longer listed on an Exchange acceptable to the Issuer.

"**Delivery Agent**" means Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International) or, if different, as specified in the relevant Final Terms.

"**Delivery Day**" means, in respect of an Underlying Security, a day on which Underlying Securities comprised in the Underlying Security Amount may be delivered to Noteholders in the manner which the Calculation Agent has determined in its sole and absolute discretion to be appropriate.

"**Delivery Expenses**" means the expenses, including all costs, taxes, duties and/or expenses including stamp duty reserve tax and/or other costs, duties or taxes arising from or in connection with the delivery and/or transfer of any Underlying Securities Amount.

"**Delivery Notice**" means a written notice substantially in such form as the Issuer may determine, which must specify the name and address of the relevant Noteholder and the securities account in Euroclear, Clearstream, Luxembourg or other clearing system to be credited with the relevant Underlying Securities Amount and authorise the production of such notice in any applicable administrative or legal proceedings and copies may be obtained from any Agent.

"**Determination Date**" means the date specified as such in the relevant Final Terms or, if none is so specified, the Interest Payment Date.

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date.

"**Disrupted Day**" means (i) in respect of an Underlying Security or an Index, any Scheduled Trading Day on which (a) the Exchange fails to open for trading during its regular trading session, (b) any Related Exchange fails to open for trading during its regular trading session or (c) a Market Disruption Event has occurred, (ii) in respect of a Multi-Exchange Index, the Index Sponsor fails to publish the level of the Index and

(iii) in respect of an FX Rate, the occurrence or existence, as determined by the Calculation Agent, of any Price Source Disruption and/or Inconvertibility Event and/or any other event specified as an FX Disruption Event in the Final Terms.

"**Disruption Cash Settlement Price**" means, in respect of each Note, an amount in the Specified Currency equal to the fair market value of the Affected Underlying Securities less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion.

"**Disruption Fallback**" means, in respect of an FX Rate, Calculation Agent FX Determination, Currency-Reference Dealers, Fallback Reference Price and/or such other sources or methods specified as such or otherwise determined as an alternative basis for determining such FX Rate as may be provided in the relevant Final Terms. The applicable Disruption Fallback shall be as specified in the relevant Final Terms, and if two or more Disruption Fallbacks are specified, unless otherwise provided in the Final Terms, such Disruption Fallbacks shall apply, in the order in which they are specified, such that if the Calculation Agent determines that the FX Rate cannot be determined by applying one Disruption Fallback, then the next Disruption Fallback specified shall apply.

"**Documents**" shall have the meaning contained in Condition 15(c)(i)(a).

"**DTC**" shall mean the Depository Trust Company or any successor thereto.

"**Early Closure**" means (i) in respect of an Index, the closure on any Exchange Business Day of any relevant Exchange or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange or Related Exchange on such Exchange Business Day and (b) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day and (ii) in respect of an Underlying Security, the closure on any Exchange Business Day of any relevant Exchange or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange or Related Exchange on such Exchange Business Day and (b) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

"**Equity Linked Interest Note**" means a Note in respect of which the amount in respect of interest payable is calculated by reference to an Underlying Security and/or Underlying Securities and/or a formula as agreed between the Issuer and the relevant Dealer(s), as indicated in the relevant Final Terms.

"**Equity Linked Note**" means an Equity Linked Interest Note or an Equity Linked Redemption Note.

"**Equity Linked Redemption Note**" means a Note in respect of which the amount in respect of principal payable is calculated by reference to an Underlying Security and/or Underlying Securities and/or a formula as agreed between the Issuer and the relevant Dealer(s), as indicated in the relevant Final Terms.

"**Equity Valuation Date(s)**" means the date or dates specified as such in the relevant Final Terms or if that day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless such day is a Disrupted Day in the opinion of the Calculation Agent. If such day is a Disrupted Day, then the Equity Valuation Date shall be determined in accordance with Condition 8(b)(i).

"**Euro-zone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on the functioning of the European Union.

"**Event of Default**" shall have the meaning contained in Condition 14.

"**Exchange**" means:

(i) in respect of any securities comprised in an Index, each exchange or quotation system, (from time to time) on which, in the determination of the Index Sponsor for the purposes of that Index, such securities are listed, such other stock exchange or quotation system specified in the relevant Final Terms or notified from time to time to Noteholders in accordance with Condition 18 and (in any such case) any successor to such exchanges or quotation systems or any substitute exchange or quotation system to which trading in the securities/commodities comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities/commodities comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange); or

(ii) in respect of an Underlying Security, each exchange or quotation system specified as such for such Underlying Security in the relevant Final Terms or notified from time to time to Noteholders in accordance with Condition 18 and any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Underlying Security has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Underlying Security on such temporary substitute exchange or quotation system as on the original Exchange).

"**Exchange Business Day**" means, in respect of an Underlying Security or an Index, as the case may be, any Scheduled Trading Day on which each Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Disruption**" means (i) in respect of an Underlying Security, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent in its sole and absolute discretion) the ability of market participants in general (a) to effect transactions in, or obtain market values for, the Underlying Security on the Exchange, or (b) to effect transactions in, or obtain market values for, futures or options contracts relating to the Underlying Security on any relevant Related Exchange and (ii) in respect of an Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent in its sole and absolute discretion) the ability of market participants in general (a) to effect transactions in, or obtain market values for, in the case of a Multi-Exchange Index, any security comprised in the Index on any relevant Exchange or, in the case of any other Index, securities that comprise 20 per cent. or more of the level of the Index on any relevant Exchange or (b) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on any relevant Related Exchange.

"**Exchangeable Bearer Notes**" shall have the meaning contained in Condition 2.

"**Exercise Notice**" shall have the meaning contained in Condition 7(e).

"**Extraordinary Dividend**" means, in respect of an Underlying Security, an amount specified or otherwise determined as provided in the relevant Final Terms. If no Extraordinary Dividend is specified or otherwise determined as provided in the relevant Final Terms, the characterisation of a dividend or portion thereof as an Extraordinary Dividend shall be determined by the Calculation Agent.

"**Fallback Reference Price**" means, in respect of any relevant day, that the Calculation Agent will determine the FX Rate on such relevant day on the basis of the exchange rate for one unit of the Base Currency in terms of the Reference Currency for such FX Rate, published by available recognised financial information vendors (as selected by the Calculation Agent) other than the applicable FX Price Source, at or around the applicable Valuation Time on such relevant day.

"**Fallback Valuation Date**" means, the date(s) specified as such in the relevant Final Terms, or, if no date is specified for the Fallback Valuation Date in the relevant Final Terms, then the Fallback Valuation Date for any date on which the FX Rate is required

to be determined shall be the second Business Day prior to the next following date upon which any payment or delivery of assets may have to be made by the Issuer by reference to the FX Rate on such day.

"**Fixed Coupon Amount**" shall have the meaning specified in the relevant Final Terms.

"**Fixed Rate Interest Period**" means any period beginning and ending on the dates specified in the relevant Final Terms, which includes one or more Interest Periods in respect of which the Notes bear a fixed Rate of Interest.

"**Floating Rate Interest Period**" means any period beginning and ending on the dates specified in the relevant Final Terms, which includes one or more Interest Periods in respect of which the Notes bear a floating Rate of Interest.

"**Fractional Amount**" means any fractional interest in one Underlying Security to which a Noteholder would be entitled pursuant to Condition 7(f)(ii).

"**Fractional Cash Amount**" means, in respect of each Note and in respect of Underlying Securities of a Company, the amount in the Specified Currency (rounded to the nearest smallest transferable Unit of such currency, half such a unit being rounded downwards) determined by the Calculation Agent in its sole and absolute discretion in accordance with the following formula:

Fractional Cash Amount = (the Reference Price x Fractional Amount x Underlying FX Rate).

Where:

"**Underlying FX Rate**" means, in respect of an Underlying Security, the prevailing spot rate determined by the Calculation Agent in its sole and absolute discretion as the number of units of the Specified Currency that could be bought with one unit of the currency in which the relevant Underlying Security is quoted on the relevant Exchange on the relevant Valuation Date.

"**FX Averaging Reference Date**" means, in respect of an FX Rate, each Initial FX Averaging Date or Averaging Date, subject to any adjustment in accordance with the FX Business Day Convention.

"**FX Business Day**" means, in respect of an FX Rate, each day (other than Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange in accordance with the practice of the foreign exchange market) in (a) the principal financial centre of the Reference Currency and (b) the FX Financial Centres.

"**FX Business Day Convention**" means the convention for adjusting any FX Reference Date or other relevant date if it would otherwise fall on a day that is not an FX Business Day. If the relevant Final Terms specify, in respect of such FX Reference Date or other date, that:

(i) "**Following**" shall apply to such FX Reference Date or other date, then if the FX Scheduled Reference Date or other scheduled date corresponding to such date is not an FX Business Day, the FX Reference Date or other date will be the first following day that is an FX Business Day;

(ii) "**Modified Following**" shall apply to such FX Reference Date or other date, then if the FX Scheduled Reference Date or other scheduled date corresponding to such date is not an FX Business Day, the Reference Date or other date will be the first following day that is an FX Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is an FX Business Day;

(iii) "**Nearest**" shall apply to such FX Reference Date or other date, then if the FX Scheduled Reference Date or other scheduled date corresponding to such date is not an FX Business Day, the FX Reference Date or other date will be (i) the first preceding day that is an FX Business Day if such date falls on a day other than a Sunday or Monday and (ii) the first following day that is an FX Business Day if such date otherwise falls on a Sunday or Monday;

(iv) "**Preceding**" shall apply to such FX Reference Date or other date, then if the FX Scheduled Reference Date or other scheduled date corresponding to such date is not an FX Business Day, the FX Reference Date or other date will be the first preceding day that is an FX Business Day; or

(v) "**No Adjustment**" shall apply to such FX Reference Date or other date, then if the FX Scheduled Reference Date or other scheduled date corresponding to such date is not an FX Business Day, the FX Reference Date or other date will nonetheless be such FX Scheduled Reference Date or other scheduled date.

If the relevant Final Terms do not specify an applicable FX Business Day Convention, then it shall be deemed that "Following" shall apply.

"**FX Financial Centres**" means, in respect of each FX Rate, the financial centre(s) specified in the relevant Final Terms.

"**FX Interest Valuation Date**" means, in respect of an FX Rate, each date specified as such or otherwise determined as provided in the relevant Final Terms, subject to any adjustment in accordance with the FX Business Day Convention.

"**FX Linked Interest Note**" means a Note in respect of which the amount in respect of interest payable is calculated by reference to a foreign exchange rate and/or a basket of foreign exchange rates and/or a formula as agreed between the Issuer and the relevant Dealer(s), as indicated in the relevant Final Terms.

"**FX Linked Note**" means an FX Linked Interest Note or an FX Linked Redemption Note.

"**FX Linked Redemption Note**" means a Note in respect of which the amount in respect of principal payable is calculated by reference to a foreign exchange rate and/or a basket of foreign exchange rates and/or a formula as agreed between the Issuer and the relevant Dealer(s), as indicated in the relevant Final Terms.

"**FX Price Source**" means the price source(s) specified in the relevant Final Terms for such FX Rate or if the relevant rate is not published or announced by such FX Price Source at the relevant time, the successor or alternative price source or page/publication for the relevant rate as determined by the Calculation Agent in its sole and absolute discretion.

"**FX Rate**" means, in respect of any relevant day, the exchange rate of one currency for another currency expressed as a number of units of the Reference Currency (or fractional amounts thereof) per unit of the Base Currency (and, if the relevant Final Terms specify a Number of FX Settlement Days, for settlement in the Number of FX Settlement Days reported and/or calculated and/or published by the FX Rate Sponsor), which appears on the FX Price Source at approximately the applicable Valuation Time on such day, or such other rate specified or otherwise determined as provided in the relevant Final Terms.

"**FX Rate Sponsor**" means, for any FX Rate, the entity specified as such in the relevant Final Terms.

"**FX Reference Date**" means, in respect of an FX Rate, each Initial FX Averaging Date, Initial FX Valuation Date, FX Interest Valuation Date or Averaging Date, subject to any adjustment in accordance with the FX Business Day Convention.

"**FX Reference Dealers**" means, in respect of each FX Rate, four leading dealers in the relevant foreign exchange market, as determined by the Calculation Agent or otherwise specified or determined as provided in the relevant Final Terms.

"**FX Scheduled Reference Date**" means, in respect of an FX Rate and any FX Reference Date, any original date that, but for such day not being an FX Business Day for such FX Rate, would have been such FX Reference Date.

"**FX Valuation Date**" means, in respect of an FX Rate, each date specified as such or otherwise determined as provided in the relevant Final Terms, subject to any adjustment in accordance with the FX Business Day Convention.

"**Hedging Disruption**" means the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the Underlying Security and/or Index and/or relevant FX Rate or other price risk of the Issuer issuing and performing its obligations with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

"**Holder**" shall have the meaning contained in Condition 2.

"**Inconvertibility Event**" means, in respect of an FX Rate, the occurrence of an event which affects the convertibility of the relevant Reference Currency into the Base Currency.

"**Increased Cost of Hedging**" means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the Underlying Security and/or Index and/or FX Rate or other price risk of the Issuer issuing and performing its obligations with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

"**Index**" or "**Indices**" means, subject to adjustment in accordance with Condition 9, the Index or Indices specified as such in the relevant Final Terms.

"**Index Cancellation**" means, in respect of an Index, that on or prior to any Valuation Date a relevant Index Sponsor cancels the Index and no Successor Index exists.

"**Index Disruption**" means, in respect of an Index, that on any Valuation Date the Index Sponsor fails to calculate and announce a relevant Index.

"**Index Linked Interest Note**" means a Note in respect of which the amount in respect of interest payable is calculated by reference to an Index and/or Indices and/or a formula as agreed between the Issuer and the relevant Dealer(s), as indicated in the relevant Final Terms.

"**Index Linked Note**" means an Index Linked Interest Note and/or an Index Linked Redemption Note.

"**Index Linked Redemption Note**" means a Note in respect of which the amount in respect of principal payable is calculated by reference to an Index and/or Indices and/or a formula as agreed between the Issuer and the relevant Dealer(s), as indicated in the relevant Final Terms.

"**Index Modification**" means, in respect of an Index, that on or prior to any Valuation Date a relevant Index Sponsor announces that it will make (in the opinion of the Calculation Agent) a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in constituent securities and capitalisation and other routine events).

"**Index Sponsor**" means, in respect of an Index, the corporation or other entity specified as such in the relevant Final Terms.

"**Index Valuation Date(s)**" means the date or dates specified as such in the relevant Final Terms or if that day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless such day is a Disrupted Day in the opinion of the Calculation Agent. If such day is a Disrupted Day, then the Index Valuation Date shall be determined in accordance with Condition 9(c)(i).

"**Initial FX Averaging Date**" means, in respect of an FX Rate, each date specified as such or otherwise determined as provided in the relevant Final Terms, subject to any adjustment in accordance with the FX Business Day Convention.

"**Initial FX Valuation Date**" means, in respect of an FX Rate, each date specified as such or otherwise determined as provided in the relevant Final Terms, subject to any adjustment in accordance with the FX Business Day Convention.

"**Insolvency**" means by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of, or any analogous proceedings affecting, a Company, at any time (i) all the Underlying Securities of such Company are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Underlying Securities of such Company become legally prohibited from transferring them.

"**Interest**" shall have the meaning contained in Condition 12.

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

"**Interest Amount**" means:

(i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the relevant Final Terms, shall mean the Fixed Coupon Amount or Broken Amount specified in the relevant Final Terms as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

(ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the relevant Final Terms.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified in the relevant Final Terms or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or Renminbi, (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling, euro nor Renminbi or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

"**Interest Payment Date**" means the date on which interest for the relevant period falls due.

"**Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified in the relevant Final Terms.

"**ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., unless otherwise specified in the relevant Final Terms.

"**Issue Price**" shall have the meaning specified in the relevant Final Terms.

"**Market Disruption Event**" means (i) in respect of an Underlying Security, the occurrence or existence on any Scheduled Trading Day of any Trading Disruption or an Exchange Disruption, which in either case the Calculation Agent determines in its sole and absolute discretion is material at any time during the one hour period that ends at the relevant Valuation Time, as the case may be, or an Early Closure, and (ii) in respect of an Index, the occurrence or existence on any Scheduled Trading Day of a Trading Disruption or an Exchange Disruption, which in either case the Calculation Agent determines in its sole and absolute discretion is material at any time during the one hour period that ends at the relevant Valuation Time, as the case may be, or an Early Closure, provided that, in the case of a Multi-Exchange Index, the securities comprised in the Index in respect of which a Trading Disruption, Exchange Disruption or an Early Closure occurs or exists amount, in the determination of the Calculation Agent, in aggregate to 20 per cent. or more of the level of the Index. For the purpose of determining whether a Market Disruption Event exists at any time in respect of a

security/commodity included in the relevant Index at any time, then the relevant percentage contribution of that security/commodity to the level of the Index shall be based on a comparison of (i) the portion of the level of the relevant Index attributable to that security/commodity relative to (ii) the overall level of the relevant Index, in each case immediately before the occurrence of such Market Disruption Event, as determined by the Calculation Agent.

"**Max**" means, when followed by two or more amounts and/or calculations inside brackets and each separated by a semi-colon, the greater of such amounts and/or calculations.

"**Merger Date**" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

"**Merger Event**" means, in respect of any Underlying Securities, any (i) reclassification or change of such Underlying Securities that results in a transfer of or an irrevocable commitment to transfer all of such Underlying Securities outstanding, to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the relevant Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Company is the continuing entity and which does not result in a reclassification or change of all of such Underlying Securities outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Underlying Securities of the relevant Company that results in a transfer of or an irrevocable commitment to transfer all of such Underlying Securities (other than such Underlying Securities owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the relevant Company or its subsidiaries with or into another entity in which such Company is the continuing entity and which does not result in a reclassification or change of all of such Underlying Securities outstanding but results in the outstanding Underlying Securities (other than Underlying Securities owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Underlying Securities immediately following such event (a "**Reverse Merger**"), in each case if the Merger Date is on or before the relevant Valuation Date.

"**Min**" means, when followed by two or more amounts and/or calculations inside brackets and each separated by a semi-colon, the lower of such amounts and/or calculations.

"**Multi-Exchange Index**" means an Index in respect of which there is more than one Exchange.

"**Nationalisation**" means the event in which all the assets or substantially all the assets of a Company or the Underlying Securities of such a Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

"**Noteholder**" shall have the meaning contained in Condition 2.

"**Number of FX Settlement Days**" means such number or amount as is specified in the relevant Final Terms.

"**Potential Adjustment Event**" means, with respect to any Company, any of the following:

(i) a subdivision, consolidation or reclassification of the relevant Underlying Securities (unless resulting in a Merger Event) or a free distribution or dividend of any such Underlying Securities to existing holders by way of bonus, capitalisation or similar issue;

(ii) a distribution, issue or dividend to existing holders of the relevant Underlying Securities specified in the relevant Final Terms of (a) such Underlying Securities or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Underlying Securities or (c) share capital or

other securities of another issuer acquired or owned (directly or indirectly) by the Company as a result of a spin-off or other similar transaction or (d) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Calculation Agent;

(iii) an Extraordinary Dividend;

(iv) a call by it in respect of any Underlying Securities that are not fully paid;

(v) a repurchase by it or any of its subsidiaries of relevant Underlying Securities, whether out of profits or capital and whether the consideration for such repurchase is in cash, new shares, securities or otherwise;

(vi) an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent in its sole and absolute discretion, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

(vii) any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the Underlying Securities.

"**Presentation Date**" means the date specified in the relevant Final Terms.

"**Price Source Disruption**" means it becomes impossible or otherwise impracticable to obtain the FX Rate on the FX Reference Date (or if different, the day on which rates for that FX Reference Date would, in the ordinary course, be published or announced by the relevant FX Price Source).

"**Principal**" shall have the meaning contained in Condition 12.

"**Rate of Interest**" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions in the relevant Final Terms.

"**Record Date**" shall have the meaning contained in Condition 11(b)(ii).

"**Reference Banks**" means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in the case of a Reference Rate other than LIBOR or EURIBOR, the principal office of four major banks in such inter-bank market as may be specified in the relevant Final Terms, in each case selected by the Calculation Agent or as specified in the relevant Final Terms.

"**Reference Currency**" means the currency specified as such in the relevant Final Terms.

"**Reference Level**" means:

(i) where the Notes are specified in the relevant Final Terms to relate to a single Index, an amount (which shall be deemed to be an amount of the Specified Currency) equal to the official closing level of the Index as determined by the Calculation Agent (or if a Valuation Time other than the Scheduled Closing Time is specified in the relevant Final Terms, the level of the Index determined by the Calculation Agent at such Valuation Time) on the Valuation Date (as defined below) and, if specified in the relevant Final Terms, without regard to any subsequently published correction; and

(ii) where the Notes are specified in the relevant Final Terms to relate to a Basket of Indices, an amount (which shall be deemed to be an amount of the Specified Currency) equal to the sum of the values calculated for each Index as the official closing level of each Index as determined by the Calculation Agent (or if a Valuation Time other than the Scheduled Closing Time is specified in the relevant

Final Terms, the level of each Index determined by the Calculation Agent at such Valuation Time) on the Valuation Date and, if specified in the relevant Final Terms, without regard to any subsequently published correction.

"**Reference Price**" means:

(i) where the Notes are specified in the relevant Final Terms to relate to a single Underlying Security, an amount equal to the official closing price (or the price at the Valuation Time on the Valuation Date, if a Valuation Time is specified in the relevant Final Terms) of the Underlying Security quoted on the relevant Exchange and, if specified in the relevant Final Terms, without regard to any subsequently published correction as determined by or on behalf of the Calculation Agent (or if, in the opinion of the Calculation Agent, no such official closing price (or, as the case may be, price at the Valuation Time on the Valuation Date, if a Valuation Time is specified in the relevant Final Terms) can be determined at such time, unless the Valuation Date is a Disrupted Day, an amount determined by the Calculation Agent in good faith to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the Valuation Date, if a Valuation Time is specified in the relevant Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the Valuation Date, if a Valuation Time is specified in the relevant Final Terms) for the Underlying Security determined, at the Calculation Agent's discretion, either by reference to the arithmetic mean of the foregoing prices or the middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of the Underlying Security or by reference to such other factors and source(s) as the Calculation Agent shall decide). The amount determined pursuant to the foregoing shall be converted, if Exchange Rate is specified as applicable in the relevant Final Terms, into the Specified Currency at the Exchange Rate and such converted amount shall be the Reference Price; and

(ii) where the Notes are specified in the relevant Final Terms to relate to a Basket of Underlying Securities, an amount equal to the sum of the values calculated for each Underlying Security as the official closing price (or the price at the Valuation Time on the Valuation Date, if a Valuation Time is specified in the relevant Final Terms) of the Underlying Security quoted on the relevant Exchange as determined by or on behalf of the Calculation Agent and, if specified in the relevant Final Terms, without regard to any subsequently published correction (or if, in the opinion of the Calculation Agent, no such official closing price (or price at the Valuation Time on the Valuation Date, if a Valuation Time is specified in the relevant Final Terms) can be determined at such time, unless the Valuation Date is a Disrupted Day, an amount determined by the Calculation Agent in good faith to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the Valuation Date, if a Valuation Time is specified in the relevant Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the Valuation Date, if a Valuation Time is specified in the relevant Final Terms) for the Underlying Security determined, at the Calculation Agent's discretion, either by reference to the arithmetic mean of the foregoing prices or the middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) in the trading of the Underlying Security or by reference to such other factors and source(s) as the Calculation Agent shall decide). Each amount determined pursuant to the foregoing shall be converted, if the Exchange Rate is specified as applicable in the relevant Final Terms, into the Specified Currency at the Exchange Rate and the sum of such converted amounts shall be the Reference Price.

"**Reference Rate**" means the rate specified as such in the relevant Final Terms.

"**Register**" shall have the meaning contained in Condition 2.

"**Registered Notes**" shall have the meaning contained in Condition 2.

"**Related Exchange**" means, in respect of an Underlying Security or Index, as the case may be, each exchange or quotation system (as specified in the relevant Final Terms or notified from time to time to Noteholders in accordance with Condition 18), if any, on which the Underlying Security or index, is traded or quoted, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Underlying Security or Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Underlying Security or Index on such temporary substitute exchange or quotation system as on the original Related Exchange) and as may be selected from time to time by the Calculation Agent, provided that where "All Exchanges" is specified as the Related Exchange in the relevant Final Terms, "**Related Exchange**" shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Underlying Security or Index.

"**Relevant Date**" shall have the meaning contained in Condition 12.

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified in the relevant Final Terms (or such successor or replacement page, section, caption, column or other part of a service which may be used for the purposes of displaying an interest rate, as determined by the Calculation Agent).

"**Renminbi**" means the lawful currency of the People's Republic of China.

"**Restricted Global Certificate**" shall mean a permanent registered global certificate which will initially represent Registered Notes issued by Rabobank Nederland which are sold in the United States to qualified institutional buyers within the meaning of Rule 144A under the United States Securities Act of 1933 (the "**Securities Act**").

"**Reuters Monitor Money Rates Service**" means the money rates monitor of the Reuters service.

"**Reverse Merger**" has the meaning specified in the definition of Merger Event.

"**Scheduled Closing Time**" means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange and Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside the hours of the regular trading session.

"**Scheduled Trading Day**" means, (i) in respect of an Underlying Security or an Index (other than a Multi-Exchange Index), any day on which each Exchange and Related Exchange are scheduled to be open for trading for their respective trading sessions, and (ii) in respect of a Multi-Exchange Index, any day on which the Index Sponsor is scheduled to publish the level of the Index and each Related Exchange is scheduled to be open for trading for its respective trading session.

"**Scheduled Valuation Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

"**Screen Rate Determination**" means the manner in which the Rate of Interest is to be determined contained in Condition 6(b)(iii)(B).

"**Settlement Disruption Event**" means, in respect of any Series, (i) an event beyond the control of the Issuer as a result of which, in the opinion of the Calculation Agent, delivery of (one of) the Underlying Securities comprised in any Underlying Securities Amount by or on behalf of the Issuer, in accordance with these Conditions and/or relevant Final Terms, is not practicable; or (ii) the existence of any prohibition or material restriction imposed by applicable law (or by order, decree or regulation of any governmental entity, stock exchange or self regulating body having jurisdiction), including prohibitions or restrictions resulting from action taken or not taken by the Issuer and/or any Affiliate of the Issuer on the ability of the Issuer or any of its Affiliates engaged in hedging transactions relating to the Underlying Securities to transfer the Underlying Securities or a particular class of Underlying Securities comprised in any Underlying Securities Amount.

"**Specified Currency**" means the currency specified as such in the relevant Final Terms or, if none is specified, the currency in which the Notes are denominated.

"**Specified Interest Payment Date**" means a date specified as an Interest Payment Date in the relevant Final Terms, being a date on which interest for the relevant period falls due.

"**Substituted Debtor**" shall have the meaning contained in Condition 15(c)(i).

"**Successor Index**" shall have the meaning contained in Condition 9(a).

"**Successor Index Sponsor**" shall have the meaning contained in Condition 9(a).

"**TARGET**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

"**TARGET Business Day**" means a day on which TARGET is open for business.

"**Tender Offer**" means, in respect of any Underlying Security, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the relevant Company, as determined by the Calculation Agent, in its sole and absolute discretion, based upon the making of filings with governmental or self-regulatory agencies, or such other information as the Calculation Agent determines to be relevant.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting shares in the amount of applicable thresholds are actually purchased or otherwise obtained, as determined by the Calculation Agent in its sole and absolute discretion.

"**Trading Disruption**" means (i) in respect of an Underlying Security, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (a) relating to the Underlying Security on the Exchange or (b) in futures or options contracts relating to the Underlying Security on any relevant Related Exchange, and (ii) in respect of an Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (a) on any relevant Exchange(s) relating to (in the case of a Multi-Exchange Index) any security comprised in the Index or (in the case of any other Index) securities that compromise 20 per cent. or more of the level of the relevant Index or (b) in futures or options contracts relating to the relevant Index on any relevant Related Exchange.

"**Underlying Securities**" means the shares or other securities or different classes of shares or other securities specified as such in the relevant Final Terms.

"**Underlying Securities Amount**" means, subject to Conditions 7 and 8, in respect of each Note, the number of Underlying Securities so specified in the relevant Final Terms.

"**Underlying Securities Delivery Date**" means, in respect of an Underlying Security, subject to Condition 7, the Maturity Date or, if such day is not a Delivery Day, the first succeeding day that is a Delivery Day.

"**Unit**" shall have the meaning contained in Condition 6(p)(v).

"**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

"**Valuation Date**" means each Equity Valuation Date, Index Valuation Date, FX Valuation Date and Averaging Date, as applicable.

"**Valuation Time**" means, the time specified as such in the relevant Final Terms or if no such time is specified (i) in respect of an Underlying Security, the close of trading on the relevant Exchange in relation to that Underlying Security, or (ii) in respect of an Index the time with reference to which the Index Sponsor calculates the closing level of the Index, or (iii) in respect of an FX Rate the time with reference to which the FX Rate

Sponsor calculates the closing rate of such FX Rate or, in each case, such other time as the Calculation Agent may select and as notified to Noteholders by the Issuer in accordance with Condition 18. If the Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

(b) References to capitalised terms not defined in Condition 1(a) above are to those terms as defined in the first paragraph of the preamble to these Conditions or in the relevant Final Terms.

2 Form, Denomination and Title

The Notes are issued in bearer form ("**Bearer Notes**", which expression includes Notes that are specified to be Exchangeable Bearer Notes), in registered form ("**Registered Notes**") or in bearer form exchangeable for Registered Notes ("**Exchangeable Bearer Notes**") in each case in the Specified Denomination(s) shown in the relevant Final Terms.

All Registered Notes shall have the same Specified Denomination. Where Exchangeable Bearer Notes are issued, the Registered Notes for which they are exchangeable shall have the same Specified Denomination as the lowest denomination of Exchangeable Bearer Notes.

This Note is a Fixed Rate Note, a Floating Rate Note, an Inverse Floating Rate Note, a Variable Rate Note, a CMS Linked Note, a Range Accrual Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Equity Linked Interest Note, an Equity Linked Redemption Note, an FX Linked Interest Note, an FX Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown in the relevant Final Terms.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 3(c), each Certificate shall represent the entire holding of Registered Notes by the same holder. Notes issued by Rabobank Nederland and sold in the United States to qualified institutional buyers pursuant to Rule 144A under the Securities Act will initially be represented by a Restricted Global Certificate in registered form.

Title to the Bearer Notes and the Receipts, Coupons and Talons appertaining thereto shall pass by delivery and title to the Registered Notes shall pass by registration in the register which the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"), unless applicable law provides otherwise or provides for additional formalities for transfer of title. Insofar as applicable law requires notification to the debtor for a valid transfer of title to the Registered Notes, the registration of the transfer by the Registrar shall constitute evidence of this notification. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, "**Noteholder**" means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), and "**holder**" (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be).

3 Exchanges of Exchangeable Bearer Notes and transfers of Registered Notes

(a) Exchange of Exchangeable Bearer Notes

Subject as provided in Condition 3(f), Exchangeable Bearer Notes may be exchanged for the same nominal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Receipts, Coupons and Talons relating to it, at

the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or such other form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer and the Fiscal Agent), duly completed and executed, together with any other evidence as the Registrar or Transfer Agent may reasonably require. Insofar as applicable law requires notification to the debtor for a valid transfer of title to the Registered Notes, the registration of the transfer by the Registrar shall constitute evidence of this notification. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(c) Exercise of Options or partial redemption in respect of Registered Notes

In the case of an exercise of an Issuer's or Noteholder's option, or a partial redemption of Registered Notes, in respect of a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) Delivery of new Certificates

Each new Certificate to be issued pursuant to Conditions 3(a), (b) or (c) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice or surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 3(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(e) Exchange free of charge

Exchange and transfer of Notes and Certificates on registration, transfer, partial redemption or exercise of an Option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(f) Closed periods

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 7(d), or (iii) after any such Note has been called for redemption. An Exchangeable Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

4 Status of Notes

The Notes and the Receipts and Coupons relating to them constitute unsubordinated and (subject to Condition 5) unsecured obligations of the Issuer and such Notes or, as the case may be, Receipts and Coupons of that Issuer shall at all times rank *pari passu* and without any preference among themselves (save for certain mandatory exceptions provided by law). The payment obligations of the Issuer under the Notes and the Receipts and Coupons relating to them shall, save for such exceptions as may be provided by applicable law and subject to Condition 5, at all times rank equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.

5 Negative pledge

So long as any of the Notes, Receipts or Coupons remain outstanding (as defined in the Agency Agreement), the Issuer undertakes not to secure any of its other indebtedness, whether present or future, which is both (a) represented by bonds, notes or other securities which have an initial life exceeding two years and which are for the time being, or are intended to be, quoted, listed, ordinarily dealt in or traded on any stock exchange or over-the-counter or other similar securities market and (b) not Domestic Indebtedness.

In this Condition 5, "**Domestic Indebtedness**" means the indebtedness as referred to under (a) above of the Issuer which is denominated or payable (at the option of any party) in euro unless 50 per cent. or more thereof in aggregate principal amount is initially offered or sold outside the Netherlands.

6 Interest and other calculations

(a) Rate of Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 6(q).

Except as provided in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount, or if so specified in the relevant Final Terms, the Broken Amount.

(b) Rate of Interest on Floating Rate Notes, Inverse Floating Rate Notes, Variable Rate Notes, Range Accrual Notes, CMS Linked Notes, Index Linked Interest Notes, Equity Linked Interest Notes and FX Linked Interest Notes

(i) *Interest Payment Dates*: Each Floating Rate Note, Inverse Floating Rate Note, Variable Rate Note, Range Accrual Note, CMS Linked Note, Index Linked Interest Note, Equity Linked Interest Note and FX Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 6(q). Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are specified in the relevant Final Terms, "**Interest Payment Date**" shall mean each

date which falls the number of months or other period specified in the relevant Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest on Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall 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 which may be provided in the relevant Final Terms shall apply if specified in the relevant Final Terms.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified in the relevant Final Terms;

(y) the Designated Maturity is a period specified in the relevant Final Terms; and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms.

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

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

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time in the case of LIBOR, or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of 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 Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

(w) If the Relevant Screen Page is not available or, if sub-paragraph (v)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (v)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below and in Condition 6(b)(iii)(B)(z), the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent.

(x) If paragraph (w) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London interbank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or

Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(y) *Alternative Reference Rates:* If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the relevant Final Terms as being other than LIBOR or EURIBOR, the relevant Final Terms may specify that the Rate of Interest in respect of such Notes will be determined either:

(A) in accordance with the foregoing procedures in paragraphs (v), (w) and (x) of Condition 6(b)(iii)(B), save that references to the relevant Reference Rate, the time at which such Reference Rate shall be observed on the Relevant Screen Page and the location of the Reference Banks shall be amended as may be specified in the relevant Final Terms; or

(B) in accordance with such other procedures as may be specified in the relevant Final Terms.

(z) *Alternative fallback provisions*: If so specified in the relevant Final Terms, the fallback provisions set out in paragraph (A) or (B) below shall be applicable (as specified in the relevant Final Terms), or such other fallback provisions as may be specified in the relevant Final Terms shall apply, and in each case, the provisions of paragraphs (w) and (x) of Condition 6(b)(iii)(B) above shall not apply:

(A) If the Relevant Screen Page is not available or, if sub-paragraph (v)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (v)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, the Calculation Agent shall determine the relevant Reference Rate for that date in its sole discretion, taking into consideration all available information that it in good faith deems appropriate; or

(B) If the Relevant Screen Page is not available or, if sub-paragraph (v)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (v)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, the Calculation Agent will request the principal office of five major banks who will provide quotations for such rate using such rate as may be specified in the relevant Final Terms or selected by the Calculation Agent. If five quotations are provided, the rate will be calculated by eliminating the highest (or, in the event of equality, one of the highest) and lowest (or, in the event of equality, one of the lowest) quotations and taking the arithmetic mean of the remaining quotations. If at least three, but fewer than five, quotations are provided, the rate will be the arithmetic mean of the quotations obtained. If fewer than three quotations are provided as requested, the rate will be determined by the Calculation Agent in good faith and in a commercially reasonable manner.

(c) Rate of Interest on Variable Rate Notes

In respect of any Notes which include a Fixed Rate Interest Period and a Floating Rate Interest Period, the Rate of Interest in respect of each Interest Accrual Period shall be determined in accordance with Conditions 6(a) and 6(b) respectively.

The relevant Final Terms may specify one or more dates upon which, at the option of the Issuer, having given not less than 5 Business Days' notice to the Noteholders (or such other notice period as may be specified in the relevant Final Terms), (i) the Fixed

Rate Interest Period shall end and the Floating Rate Interest Period shall begin or (ii) the Floating Rate Interest Period shall end and the Fixed Rate Interest Period shall begin, as the case may be.

(d) Rate of Interest on Inverse Floating Rate Notes

The Rate of Interest in respect of Inverse Floating Rate Notes for each Interest Accrual Period shall be determined by the Calculation Agent in the manner specified in the relevant Final Terms or as follows:

(i) by subtracting from the Margin, the relevant Reference Rate or Floating Rate Option (as the case may be); or

(ii) by applying one of the following formulae, as specified in the relevant Final Terms:

(A) Rate of Interest = Margin – (Gearing Factor x Inverse Rate);

(B) Rate of Interest = Previous Coupon + (Gearing Factor x (Inverse Rate – Margin));

(C) Rate of Interest = (Previous Coupon + Margin) – (Gearing Factors x Inverse Rate);

(D) Rate of Interest = Gearing Factor x Max[(Margin – Inverse Rate); Minimum Rate of Interest]; or

(E) Rate of Interest = Max[(Previous Coupon + Margin – Inverse Rate); Minimum Rate of Interest],

where:

"**Gearing Factor**" has the meaning specified in the relevant Final Terms;

"**Inverse Rate**" means the relevant Reference Rate or Floating Rate Option as specified in the applicable Final Terms, which may, if so specified in the relevant Final Terms, be calculated by reference to the mathematical difference between, or sum of, two Reference Rates and/or Floating Rate Options, as the case may be; and

"**Previous Coupon**" means the Rate of Interest calculated in respect of the immediately preceding Interest Period (if any), or such other Interest Period as may be specified in the relevant Final Terms. In respect of the Interest Period commencing on the Interest Commencement Date, the Previous Coupon shall have the meaning specified in the relevant Final Terms.

Where "Screen Rate Determination" and/or "ISDA Determination" is/are specified to be applicable in the relevant Final Terms, the relevant provisions of Condition 6(b)(iii) shall apply as though references to Floating Rate Notes were references to Inverse Floating Rate Notes.

(e) Rate of Interest on CMS Linked Notes

(i) The Rate of Interest in respect of CMS Linked Notes for each Interest Accrual Period shall be determined by the Calculation Agent in the manner specified in the relevant Final Terms or by applying one of the following formulae, as specified in the relevant Final Terms:

(A) Rate of Interest = Max[(Gearing Factor x CMS Rate); Minimum Rate of Interest];

(B) Rate of Interest = Gearing Factor x CMS Rate;

(C) Rate of Interest = (Gearing Factor x CMS Rate) + Margin;

(D) Rate of Interest = Gearing Factor x (CMS Rate – Margin);

(E) Rate of Interest = Gearing Factor x [Max(0; CMS Rate – Margin_1) – Max(0; CMS Rate – Margin_2)];

(F) Rate of Interest = CMS Rate_1 – (CMS Rate_2 x Gearing Factor);

(G) Rate of Interest = (CMS Rate_1 – (Gearing Factor x CMS Rate_2)) + Margin;

(H) Rate of Interest = Min[(Applicable Rate + Margin); Gearing Factor(CMS Rate_1 – CMS Rate_2)];

(I) Rate of Interest = Min[CMS $Rate_1$; Applicable Rate] – CMS $Rate_2$ – Margin

(J) Rate of Interest = $(1 + \text{CMS Rate} - \text{Margin})^x - 1$,

where:

"**Applicable Rate**" has the meaning (expressed as a percentage) specified in the relevant Final Terms, and may, if so specified in the relevant Final Terms, be (x) an absolute value, (y) calculated based upon one or more Reference Rates and/or Floating Rate Options (as the case may be) or (z) a combination of (x) and (y);

"**CMS Rate**", "**CMS $Rate_1$**" and "**CMS $Rate_2$**" means the relevant Reference Rate(s) or Floating Rate Option(s) as specified in the applicable Final Terms, which may, if so specified in the relevant Final Terms, be calculated by reference to the mathematical difference between, or sum of, two Reference Rates or Floating Rate Options, or by applying one of the formulae specified in sub-paragraphs (A) to (J) above;

"**Gearing Factor**" has the meaning specified in the relevant Final Terms;

"**$Margin_1$**" and "**$Margin_2$**" have the meanings specified in the relevant Final Terms;

"**n**" has the meaning specified in the relevant Final Terms; and

"**Previous Coupon**" has the meaning specified in Condition 6(d).

(ii) If so specified in the relevant Final Terms, the Rate of Interest which is applicable with respect to one or more Interest Periods may be conditional upon a specified CMS Rate being equal to or greater than a pre-determined rate on the relevant Interest Determination Date. Any such rate shall be specified in the relevant Final Terms.

(iii) Where "Screen Rate Determination" and/or "ISDA Determination" is/are specified to be applicable in the relevant Final Terms, the relevant provisions of Condition 6(b)(iii) shall apply as though references to Floating Rate Notes were references to CMS Linked Notes.

(f) Rate of Interest on Range Accrual Notes

(i) The Rate of Interest in respect of Range Accrual Notes for each Interest Accrual Period shall be determined by the Calculation Agent in the manner specified in the relevant Final Terms or by applying one of the following formulae, as specified in the relevant Final Terms:

(A) Rate of Interest = Applicable Rate x (n/N);

(B) Rate of Interest = Min[(Gearing Factor x Applicable Rate); Minimum Applicable Rate] x (n/N); or

(C) Rate of Interest = ((Applicable Rate x n) + Margin) x (n_{max}/N),

where:

"**Accrual Range**" has the meaning specified in the relevant Final Terms, and the upper and/or lower limits of such range may, if so specified in the relevant Final Terms, be defined by reference to the mathematical difference between the absolute values of two or more Reference Rates or Floating Rate Options (as the case may be);

"**Applicable Rate**" has the meaning (expressed as a percentage) specified in the relevant Final Terms, and may, if so specified in the relevant Final Terms, be (x) an absolute value, (y) calculated based upon one or more Reference Rates and/or Floating Rate Options (as the case may be) or (z) a combination of (x) and (y);

"**Business Day**" shall have the meaning set out in Condition 1, or such other meaning as may be specified in the relevant Final Terms;

"**Fixing Day**" means each calendar day during the relevant Interest Period, or such other day or days as may be specified in the relevant Final Terms;

"**Gearing Factor**" shall have the meaning specified in the relevant Final Terms;

"**Minimum Applicable Rate**" has the meaning specified in the relevant Final Terms, and may, if so specified in the relevant Final Terms, be (x) an absolute value, (y) calculated based upon one or more Reference Rates and/or Floating Rate Options (as the case may be) or (z) a combination of (x) and (y);

"**N**" means the total number of Fixing Days in the relevant Interest Period;

"**n**" means the number of Fixing Days where the Reference Rate or Floating Rate Option, as the case may be, falls inside or outside the Accrual Range (as specified in the relevant Final Terms), provided that:

(A) for any Fixing Day which is not a Business Day and which falls during the relevant Interest Period, the relevant Reference Rate or Floating Rate Option, as the case may be, for such day will be deemed to be the relevant Reference Rate or Floating Rate Option as at the immediately preceding Business Day;

(B) for each Fixing Day following the Rate Cut-off Date, the relevant Reference Rate or Floating Rate Option, as the case may be, will be deemed to be the relevant Reference Rate or Floating Rate Option as at the Rate Cut-off Date; and

(C) if the Reference Rate or Floating Rate Option is equal to the upper or lower limits of the Accrual Range, it shall be deemed to fall inside such Accrual Range;

"$\mathbf{n_{max}}$" means the number of Fixing Days in the relevant Interest Period where the Reference Rate or Floating Rate Option, as the case may be, is greater than the upper limit of the Accrual Range; and

"**Rate Cut-off Date**" means the date that is five Fixing Days prior to the relevant Specified Interest Payment Date (or such other number of Fixing Days as may be specified in the relevant Final Terms).

(ii) Where "Screen Rate Determination" and/or "ISDA Determination" is/are specified to be applicable in the relevant Final Terms, the relevant provisions of Condition 6(b)(iii) shall apply as though references to Floating Rate Notes were references to Range Accrual Notes.

(g) Rate of Interest on Index Linked Interest Notes

The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and interest will accrue by reference to an Index or a Basket of Indices or formula as specified in the relevant Final Terms.

(h) Rate of Interest on Equity Linked Interest Notes

In the case of Equity Linked Notes, the Rate of Interest or amount of interest payable in respect of each Interest Accrual Period or on each Specified Interest Payment Date, as the case may be, shall be determined by reference to an Underlying Security or a Basket of Underlying Securities or formula in the manner specified in the relevant Final Terms.

(i) Rate of Interest on FX Linked Interest Notes

(i) In the case of FX Linked Interest Notes, the Rate of Interest or amount of interest payable in respect of each Interest Accrual Period or on each Specified Interest Payment Date, as the case may be, shall be determined by reference to an FX Rate and/or a basket of FX Rates and/or a formula, as indicated in the relevant Final Terms, or in accordance with one of the following formulae:

(A) Rate of Interest = $Rate_1 \times (FX_n/FX_o) - Rate_2$; or

(B) Rate of Interest = $Rate_1 \times (FX_n/FX_o)$,

where:

"**Base Currency**" has the meaning specified in the relevant Final Terms;

"**FX_n**" means the bid rate of the relevant FX Rate published on the Relevant Screen Page on the FX Determination Date, at such time as may be specified in the relevant Final Terms;

"**FX_o**" has the meaning specified in the relevant Final Terms;

"**FX Determination Date**" means the day which is ten Business Days prior to each Interest Payment Date (or such other date as may be specified in the relevant Final Terms);

"**FX Rate**" means the exchange rate between the Base Currency and the Reference Currency, expressed as the number of integral currency units of the Base Currency, or part thereof, which can be purchased with a single integral currency unit of the Reference Currency;

"**$Rate_1$**" and "**$Rate_2$**" refer to the Rates of Interest specified in the relevant Final Terms and may, if so specified in the relevant Final Terms, be (x) an absolute value, (y) calculated based upon one or more Reference Rates or Floating Rate Options (as may be specified in the relevant Final Terms) or (z) a combination of (x) and (y);

"**Reference Currency**" has the meaning specified in the relevant Final Terms; and

"**Relevant Screen Page**" means the display page so designated on the service specified in the relevant Final Terms (or such other page as may replace that page on that service (or replace such services) for the purposes of displaying an exchange rate comparable to such rate, as determined by the Calculation Agent).

(ii) If FX Range Notes is specified to be applicable in the relevant Final Terms, the Rate of Interest in respect of each Interest Period will be equal to $Rate_1$, unless the Spot Rate (as determined by the Calculation Agent) equals or exceeds the Maximum Currency Rate or equals or falls below the Minimum Currency Rate at any time during the Observation Period, in which case it will be equal to $Rate_2$,

where:

"**Currency Pair**" has the meaning specified in the relevant Final Terms;

"**Maximum Currency Rate**" has the meaning specified in the relevant Final Terms;

"**Minimum Currency Rate**" has the meaning specified in the relevant Final Terms;

"**Observation Period**" means each Interest Period, or such other period as may be specified in the relevant Final Terms;

"**$Rate_1$**" and "**$Rate_2$**" have the meanings specified in the relevant Final Terms;

"**Spot Market**" means the global spot foreign exchange market, which shall be treated as being open continuously from 5.00 a.m. Sydney time on a Monday in any week to 5.00 p.m. New York time on the Friday of that week; and

"**Spot Rate**" means the rates for the exchange of the Currency Pair in the Spot Market for foreign exchange transactions.

(j) Zero Coupon Notes

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 7(b)(i)).

(k) Dual Currency Notes

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating the Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the relevant Final Terms.

(l) Partly Paid Notes

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the relevant Final Terms.

(m) Accrual of interest

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 6 to the Relevant Date (as defined in Condition 12).

(n) Interest Trigger Event

If Interest Trigger Event is specified to be applicable in the relevant Final Terms, the following provisions shall apply, in each case as may be amended in the relevant Final Terms:

(i) In respect of all Interest Periods beginning on or after such date as may be specified in the relevant Final Terms, and ending on the Interest Payment Date immediately following the occurrence of an Interest Trigger Event, the Rate of Interest shall be the Initial Rate of Interest;

(ii) Following the occurrence of an Interest Trigger Event, the Rate of Interest for all subsequent Interest Periods (excluding the Interest Period in which the Trigger Event occurred) shall be the Reset Rate of Interest; and

(iii) If an Interest Trigger Event does not occur, the Interest Amount payable on the Maturity Date shall be calculated in accordance with Condition 6(p)(iv).

For the purposes of this Condition 6(n):

"**Aggregate Interest Amount**" means, in respect of an Interest Payment Date (the "**Relevant Interest Payment Date**"), the sum of all Interest Amounts paid per Calculation Amount, during the period beginning on (and including) the Interest Commencement Date, to (and including) the Interest Payment Date immediately preceding the Relevant Interest Payment Date, plus the Interest Amount due on the Relevant Interest Payment Date;

"**Initial Rate of Interest**" shall have the meaning specified in the relevant Final Terms;

"**Interest Trigger Event**" means, in respect of an Interest Payment Date, the Aggregate Interest Amount on such Interest Payment Date being equal to or greater than the Minimum Interest Amount;

"**Minimum Interest Amount**" means the minimum aggregate amount of interest payable per Calculation Amount during the period beginning on (and including) the Interest Commencement Date, to (and including) the Maturity Date, as specified in the relevant Final Terms; and

"**Reset Rate of Interest**" shall have the meaning specified in the relevant Final Terms.

(o) Knock-in Event

If Knock-in Event is specified to be applicable in the relevant Final Terms, the following provisions shall apply, in each case as may be amended in the relevant Final Terms:

(i) For each Interest Period in respect of which a Knock-in Event does not occur during the relevant Reference Period or at the applicable Reference Time (as the case may be), the Rate of Interest shall be the Initial Rate of Interest; and

(ii) For each Interest Period in respect of which the Calculation Agent determines that a Knock-in Event has occurred during the relevant Reference Period or at the applicable Reference Time (as the case may be), the Rate of Interest shall be the Reset Rate of Interest.

For the purposes of this Condition 6(o):

"**Initial Rate of Interest**" shall have the meaning specified in the relevant Final Terms;

"**Knock-in Barrier**" has the meaning specified in the relevant Final Terms;

"**Knock-in Event**" means at any time during the Reference Period or at the Reference Time (as specified in the relevant Final Terms), the Relevant Rate is equal to or greater than the Knock-in Barrier, or if so specified in the relevant Final Terms, less than the Knock-in Barrier;

"**Reference Period**" means the period from (and including) the fifth Business Day prior to the start of the relevant Interest Period to (but excluding) the fifth Business Day prior to the end of such Interest Period, or such other period as may be specified in the relevant Final Terms;

"**Reference Time**" means the time and date at which the Relevant Rate is determined by the Calculation Agent;

"**Relevant Rate**" means the relevant Reference Rate, Floating Rate Option, Inverse Rate, CMS Rate, FX Rate or such other rate as may be specified in the relevant Final Terms; and

"**Reset Rate of Interest**" shall have the meaning specified in the relevant Final Terms.

(p) Margin, Maximum/Minimum Rates of Interest, Maximum/Minimum Interest Amount and Rounding

(i) If any Margin is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods in the case of (y), calculated in accordance with Condition 6(b) by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin; subject always to the next paragraph. Any such Margin may, if so specified in the relevant Final Terms, be (x) an absolute value, (y) calculated based upon one or more Reference Rates and/or Floating Rate Options (as the case may be) or (z) a combination of (x) and (y).

(ii) If any Maximum or Minimum Rate of Interest, Maximum or Minimum Interest Amount, Instalment Amount or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest, Interest Amount, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) Any such Maximum or Minimum Rate of Interest may, if so specified in the relevant Final Terms, be determined by reference to (w) one or more Reference Rates and/or Floating Rate Options, (x) a multiple of one or more Reference Rates and/or Floating Rate Options, (y) the mathematical difference between, or the product or sum of, two or more Reference Rates and/or Floating Rate Options and/or (z) any combination of (x), (y) and (z).

(iv) Where a Minimum Interest Amount is specified in the relevant Final Terms, and the aggregate amount of all Interest Amounts paid per Calculation Amount prior to the Maturity Date is less than such Minimum Interest Amount, the Interest Amount to be paid on the Maturity Date shall be equal to the difference between the Minimum Interest Amount and the aggregate of all Interest Amounts paid per Calculation Amount prior to the Maturity Date.

(v) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen, unless otherwise specified in the relevant Final Terms. For these purposes "**unit**" means the lowest amount of such currency that is available as legal tender in the country of such currency.

(q) Calculations

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the relevant Final Terms, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(r) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Obligatory Redemption Amounts, Optional Redemption Amounts and Instalment Amounts

The Calculation Agent shall as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Obligatory Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Obligatory Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 6(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 14, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 6 but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(s) Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount, Obligatory Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other

requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

7 Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption

(i) Unless previously redeemed, purchased and cancelled as provided in this Condition 7, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(ii) Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date at its Final Redemption Amount (which, unless otherwise provided in these Terms and Conditions or in the relevant Final Terms, is its nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) Early Redemption

(i) Zero Coupon Notes

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 7(c), 7(j) or upon it becoming due and payable as provided in Condition 14 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified in the relevant Final Terms.

(B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is specified in the relevant Final Terms, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 7(c) or upon it becoming due and payable as provided in Condition 14 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the reference therein to the date on which the Note becomes due and payable were replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 6(m).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction specified in the relevant Final Terms.

(ii) *Other Notes*: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 7(c), Condition 7(j) or upon it becoming due and payable as provided in Condition 14, shall be the Final Redemption Amount unless otherwise specified in the relevant Final Terms.

(iii) *Obligatory Redemption*: If the Calculation Agent determines that an Obligatory Redemption Event has occurred or will occur in relation to any Interest Payment Date falling on or after the Obligatory Redemption Commencement Date but prior to the Maturity Date, the Issuer shall give not less than five Business Days' notice (or such other period as may be specified in the relevant Final Terms) of such determination to Noteholders in accordance with Condition 18 and shall redeem all (but not some only) of the Notes on such Interest Payment Date at the Obligatory Redemption Amount.

For the purposes of this Condition 7(b)(iii):

"**Aggregate Interest Amount**" has the meaning specified in Condition 6(n);

"**Maximum Interest Amount**" means the maximum aggregate amount of interest payable per Calculation Amount during the period beginning on (and including) the Interest Commencement Date, to (and including) the Maturity Date, as specified in the relevant Final Terms;

"**Obligatory Redemption Amount**" has the meaning specified in the relevant Final Terms;

"**Obligatory Redemption Commencement Date**" has the meaning specified in the relevant Final Terms; and

"**Obligatory Redemption Event**" means, in respect of an Interest Payment Date, the Aggregate Interest Amount on such Interest Payment Date being equal to or greater than the Maximum Interest Amount.

(c) Redemption for taxation reasons

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is either a Floating Rate Note, an Index Linked Interest Note, an Equity Linked Interest Note or an FX Linked Interest Note) or at any time (if this Note is neither a Floating Rate Note, an Index Linked Interest Note, an Equity Linked Interest Note nor an FX Linked Interest Note) on giving not less than 30 nor more than 45 days' notice to the Noteholders (or such other notice period as may be specified in the relevant Final Terms) (which notice shall be irrevocable), at their Early Redemption Amount (as described in Condition 7(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 12 as a result of any change in, or amendment to, the laws or regulations of the Netherlands, in respect of any Issuer, Australia in respect of Rabobank Australia Branch and Singapore in respect of Rabobank Singapore Branch or any political subdivision or any authority thereof or therein 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 date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days (or such other period as may be specified in the relevant Final Terms) prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

(d) Redemption at the option of the Issuer

(i) If Call Option is specified in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified in the relevant Final Terms) redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the relevant Final Terms and no greater than the Maximum Redemption Amount to be redeemed specified in the relevant Final Terms.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 7.

In the case of a partial redemption, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange requirements.

(ii) If so specified in the relevant Final Terms, the following provisions shall apply for the purposes of calculating the Optional Redemption Amount:

(A) Where the Reference Rate on an Observation Date is equal to or less than the Strike Rate, the Optional Redemption Amount per Calculation Amount which is payable on any redemption on the immediately following Optional Redemption Date shall be calculated by the Calculation Agent, using the following formula:

Optional Redemption Amount = Calculation Amount x (100 per cent. + (X x n))

Where:

"**n**" means, with respect to an Observation Date, the number of Observation Dates during the period from (and including) the Issue Date to (and including) such Observation Date;

"**Observation Date**" means, in relation to any Optional Redemption Date, the date which is five Business Days prior to such Optional Redemption Date (or such other date as may be specified in the relevant Final Terms);

"**Reference Rate**" has the meaning specified in the relevant Final Terms;

"**Strike Rate**" has the meaning specified in the relevant Final Terms; and

"**X**" has the meaning (expressed as a percentage) specified in the relevant Final Terms;

(B) Where the Reference Rate on an Observation Date is greater than the Strike Rate, the Optional Redemption Amount per Calculation Amount which is payable on the immediately following Optional Redemption Date shall be 100 per cent. of such Calculation Amount.

(e) Redemption at the option of Noteholders

If Put Option is specified in the relevant Final Terms, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified in the relevant Final Terms), redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing

such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) Delivery of Underlying Securities

(i) If Physical Settlement is specified as applicable in the relevant Final Terms, the Notes will be redeemed by way of delivery of Underlying Securities and the Issuer will transfer, or procure the delivery by the Delivery Agent of, in respect of each Note, the Underlying Securities Amount to or to the order of the Noteholder (as specified by the Noteholder). In order to obtain delivery of the Underlying Securities Amount, the relevant Noteholder must deliver to any Paying Agent, on or before the Presentation Date, the relevant Note(s) and a duly completed Delivery Notice. No Delivery Notice may be withdrawn after receipt thereof by a Paying Agent. Any determination as to whether such notice has been properly completed and delivered shall be made by the relevant Paying Agent, after consultation with the Issuer and shall be conclusive and binding on the Issuer and the relevant Noteholder. If the relevant Note and the related Delivery Notice are delivered or are deemed to be delivered to any Paying Agent on a day that is not a Business Day, such Note and Delivery Notice shall be deemed to be delivered on the next following Business Day.

If the holder of a Note does not deliver the Note and a Delivery Notice, in each case as set out above, on or before the Presentation Date as provided above, then the Issuer shall have no obligation to make delivery of the Underlying Securities Amount in respect of such Note unless and until a duly completed Delivery Notice (together with the relevant Note) are each delivered as provided above and delivery of such Underlying Securities Amount shall be made as soon as possible thereafter but not earlier than the Underlying Securities Delivery Date.

All Delivery Expenses shall be for the account of the relevant Noteholder and no delivery and/or transfer of any Underlying Securities Amount shall be required to be made until all Delivery Expenses have been paid to the satisfaction of the Issuer by such Noteholder.

For the avoidance of doubt, the relevant holder of a Note shall not be entitled to any additional or further payment by reason of the delivery of the Underlying Securities Amount in respect of such Note occurring after the Underlying Securities Delivery Date as a result of such Delivery Notice or Note being delivered after the Presentation Date.

The Issuer shall on the Underlying Securities Delivery Date, deliver or procure the delivery of the Underlying Securities Amount in respect of each Note to such account at Clearstream, Luxembourg, Euroclear or the other clearing system as may be specified in the relevant Delivery Notice at the risk and expense of the relevant Noteholder. As used herein, "**delivery**" in relation to any Underlying Securities Amount means the carrying out of the steps required of the Issuer (or such person as it may procure to make the relevant delivery) in order to effect the transfer of the relevant Underlying Securities Amount in accordance with the relevant Delivery Notice and "**deliver**" shall be construed accordingly. The Issuer shall not be responsible for any delay or failure in the transfer of such Underlying Securities Amount once such steps have been carried out, whether resulting from settlement periods of clearing systems, acts or omissions of registrars, incompatible or incorrect information being contained in the Delivery Notice or otherwise and shall have no responsibility for the lawfulness of the acquisition of the Underlying Securities comprising the Underlying Securities Amount or any interest therein by any Noteholder or any other person.

Noteholders should note that the actual date on which they become holders of the Underlying Securities comprising the Underlying Securities Amount will depend, among other factors, on the procedures of the relevant clearing systems and share registrar and the effect of any Settlement Disruption Events.

No Noteholder will be entitled to receive dividends or other distributions declared or paid in respect of the Underlying Securities to which such Note gives entitlement or to any other rights relating to or arising out of such Underlying Securities if the date on which the Underlying Securities are quoted ex-dividend or ex-the relevant right falls before the date on which the Underlying Securities are credited into the securities account of the Noteholder.

(ii) Notes to be redeemed in accordance with this Condition 7 to the same Noteholder will be aggregated for the purpose of determining the Underlying Securities Amount to which such Notes give entitlement (and, for the avoidance of doubt, in the case of a Basket per particular class of Underlying Securities comprised in that Basket). The Noteholders will not be entitled to any interest or other payment or compensation if and to the extent that the delivery of the Underlying Securities Amount will take place after the earlier of the (a) Optional Redemption Date or (b) the Maturity Date (as specified in these Conditions). The number of Underlying Securities comprising the Underlying Securities Amount in respect of a Note will be calculated on the basis of the prevailing formula in the relevant Final Terms rounded down to the next whole integral number of Underlying Securities. Entitlement to the remaining fractions of Underlying Securities will be settled by payment of the Fractional Cash Amount in respect of those fractions rounded up to two decimals, as calculated by the Calculation Agent.

(iii) Settlement Disruption

If the Calculation Agent determines that delivery of any Underlying Securities Amount in respect of any Note by the Issuer in accordance with these Conditions is not practicable or permitted by reason of a Settlement Disruption Event subsisting, then the Underlying Securities Delivery Date in respect of such Note shall be postponed to the first following Delivery Day in respect of which no such Settlement Disruption Event is subsisting and notice thereof shall be given to the relevant Noteholder by mail addressed to it at the address specified in the relevant Delivery Notice or in accordance with Condition 18 provided that the Calculation Agent may determine in its sole discretion that the Issuer satisfy its obligations in respect of the relevant Note by delivering or procuring the delivery of such Underlying Securities Amount using such other commercially reasonable manner as it may select and in such event the Underlying Securities Delivery Date shall be such day as the Calculation Agent deems appropriate in connection with delivery of such Underlying Securities Amount in such other commercially reasonable and lawful manner. No Noteholder shall be entitled to any payment whether of interest or otherwise on such Note in the event of any delay in the delivery of the Underlying Securities Amount pursuant to this paragraph and no liability in respect thereof shall attach to the Issuer.

Where a Settlement Disruption Event affects some but not all of the Underlying Securities comprising the Underlying Securities Amount, the Underlying Securities Delivery Date for the Underlying Securities comprising such Underlying Securities Amount but not affected by the Settlement Disruption Event will be the originally designated Underlying Securities Delivery Date.

For so long as delivery of part or all of the Underlying Securities comprising the Underlying Securities Amount (the "**Affected Underlying Securities**") in respect of any Note is not practicable or permitted by reason of a Settlement Disruption Event, then in lieu of physical delivery of the Affected Underlying Securities and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of each relevant Note by payment to the relevant Noteholder of the Disruption Cash Settlement Price on the third Business Day following the date that notice of such election is given to the

Noteholders in accordance with Condition 18. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Noteholders in accordance with Condition 18.

The Issuer shall give notice as soon as practicable to the Noteholders in accordance with Condition 18 that a Settlement Disruption Event has occurred.

(g) Redemption of Equity Linked Notes following Nationalisation, Delisting, Insolvency, Merger Event or Tender Offer

If Nationalisation, Delisting, Insolvency, Merger Event or Tender Offer is specified as applicable in the relevant Final Terms and the Calculation Agent determines that any such event has occurred, the Issuer may, having given:

(i) not less than 5 days' notice to the Noteholders in accordance with Condition 18 (or such other notice period as may be specified in the relevant Final Terms); and

(ii) not less than 7 days before the giving of the notice referred to in (i) above (or such other notice period as may be specified in the relevant Final Terms), notice to the Fiscal Agent,

redeem all, but not some only, of the Notes then outstanding on the date specified in the notice referred to in (i) above at the Early Redemption Amount specified in the relevant Final Terms together with, if so specified in the Final Terms, interest accrued to (but excluding) the date of redemption.

(h) Redemption of Index Linked Notes following an Index Modification, Index Cancellation or Index Disruption Event

If an Index Modification, Index Cancellation or Index Disruption Event occurs, the Issuer in its sole and absolute discretion may redeem all, but not some only, of the Notes at the Early Redemption Amount together with, if so specified in the relevant Final Terms, interest accrued to (but excluding) the date of redemption.

Any determination made that the Notes are to be redeemed in accordance with this Condition shall be notified to Noteholders in accordance with Condition 18, together with the date of such redemption.

(i) Redemption of Equity Linked Notes, Index Linked Notes and FX Linked Notes following an Additional Disruption Event

If Additional Disruption Events are specified as applicable in the relevant Final Terms and an Additional Disruption Event occurs, the Issuer in its sole and absolute discretion may redeem all, but not some only, of the Notes at the Early Redemption Amount, together with, if so specified in the relevant Final Terms, interest accrued to (but excluding) the date of redemption.

Any determination made that the Notes are to be redeemed in accordance with this Condition shall be notified to Noteholders in accordance with Condition 18, together with the date of such redemption.

(j) Redemption for illegality

In the event that the Issuer determines in good faith that the performance of its obligations under the Notes or that any arrangements made to hedge its obligations under the Notes has or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, the Issuer having given not less than ten (10) nor more than 30 days' notice to Noteholders in accordance with Condition 18 (or such other notice period as may be specified in the relevant Final Terms) (which notice shall be irrevocable), may, on expiry of such notice redeem all, but not some only, of the Notes, each Note being redeemed at the Early Redemption Amount together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(k) Partly Paid Notes

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 7 and the provisions specified in the relevant Final Terms.

(l) Purchases

The Issuer and any of its subsidiaries may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

(m) Cancellation

All Notes purchased by or on behalf of the Issuer or any of its subsidiaries (other than Bearer Notes purchased in the ordinary course of business of dealing in securities or in the name of another party) may be surrendered for cancellation and, in each case, if so surrendered, will be cancelled forthwith together with all Notes redeemed by the Issuer (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith), and may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged. Notes may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each Note, together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar.

8 Provisions Applicable to Equity Linked Notes

The following provisions apply to Equity Linked Notes:

(a) Correction of an Underlying Security Price

If "Correction of Underlying Security Prices" is specified as applying in the relevant Final Terms and the price of an Underlying Security published on the Equity Valuation Date or Averaging Date, as the case may be, is subsequently corrected and the correction (the "**Corrected Underlying Security Price**") is published on the relevant Exchange prior to the Correction Cut-Off Date specified in the relevant Final Terms, then such Corrected Underlying Security Price shall be deemed to be the closing price for such Underlying Security for the Equity Valuation Date or Averaging Date, as the case may be, and the Calculation Agent shall notify the Issuer and the Fiscal Agent of (a) that correction and (b) the amount of principal and/or interest (if any) that is payable as a result of that correction and as soon as reasonably practicable thereafter, the Issuer shall make payment of such amount in accordance with Condition 11.

(b) Disrupted Days

(i) If the Calculation Agent determines that any Equity Valuation Date is a Disrupted Day in respect of an Underlying Security, then:

(A) where the Notes are specified in the relevant Final Terms to relate to a single Underlying Security, the Equity Valuation Date in respect of that Underlying Security shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in respect of that Underlying Security, unless each of the eight Scheduled Trading Days (or such other number of Scheduled Trading Days as may be specified in the relevant Final Terms) immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (a) the eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) shall be deemed to be the Equity Valuation Date in respect of that Underlying Security, notwithstanding the fact that such day is a Disrupted Day, and (b) the Calculation Agent shall determine the Reference Price as its good faith estimate of the value for the Underlying Security as at the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms); or

(B) where the Notes are specified in the relevant Final Terms to relate to a Basket of Underlying Securities, the Equity Valuation Date in respect of each Underlying Security not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Equity Valuation Date in respect of each Affected Security shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in respect of the Affected Security unless each of the eight Scheduled Trading Days (or such other number of Scheduled Trading Days as may be specified in the relevant Final Terms) immediately following the Scheduled Valuation Date is a Disrupted Day in respect of the Affected Security. In that case, (a) the eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) shall be deemed to be the Equity Valuation Date in respect of the Affected Security, notwithstanding the fact that such day is a Disrupted Day, and (b) the Calculation Agent shall determine the Reference Price of the Affected Security as its good faith estimate of the value for the Affected Security as at the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms).

(ii) If the Calculation Agent determines that any Averaging Date is a Disrupted Day in respect of an Underlying Security, then:

(A) if "Omission" is specified in the relevant Final Terms, such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the relevant Reference Price. If no Averaging Date would occur through the operation of this provision, then for the purposes of determining the Reference Price on the final Averaging Date, Condition 8(b)(i) will apply as if such Averaging Date were an Equity Valuation Date that was a Disrupted Day; or

(B) if "Postponement" is specified in the relevant Final Terms, such Averaging Date shall be deferred in accordance with Condition 8(b)(i) as if it were an Equity Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a date that already is or is deemed to be an Averaging Date for the Equity Linked Notes; or

(C) if "Modified Postponement" is specified in the relevant Final Terms, then:

(a) where the Notes are specified in the relevant Final Terms to relate to a single Underlying Security, the Averaging Date in respect of that Underlying Security shall be the first succeeding Valid Date if the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Valuation Date, then (i) the eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) shall be deemed to be the Averaging Date in respect of that Underlying Security (irrespective of whether such day is already an Averaging Date), and (ii) the Calculation Agent shall determine the Reference Price of one such Underlying Security as its good faith estimate of the value for the Underlying Security as at the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms); or

(b) where the Notes are specified in the relevant Final Terms to relate to a Basket of Underlying Securities, the Averaging Date in respect of each Underlying Security not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Averaging Date in respect of each Affected Security shall be the first succeeding Valid

Date in respect of the Affected Security. If the first succeeding Valid Date in relation to an Affected Security has not occurred as of the Valuation Time on the eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) immediately following the Scheduled Valuation Date, then, (i) the eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) shall be deemed to be the Averaging Date in respect of the Affected Security (irrespective of whether such day is already an Averaging Date, and (ii) the Calculation Agent shall determine the Reference Price of the Affected Security as its good faith estimate of the value for the Affected Security as at the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms).

(c) Consequences of a Potential Adjustment Event

If Potential Adjustment Event is specified as applicable in the relevant Final Terms, as soon as reasonably practicable following the occurrence of any Potential Adjustment Event, the Calculation Agent shall, in its sole discretion, determine (as soon as practicable thereafter) whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Underlying Security and, if so, the appropriate adjustment, if any, to be made to any of these Conditions (including without limitation to the Final Redemption Amount and/or Underlying Securities Amount) or the relevant Final Terms in relation to the Notes to account for the diluting or concentrative effect of such event or otherwise necessary to preserve the economic equivalent of the rights of the Noteholders under the Notes immediately prior to such event, such adjustment to be effective as of the date determined by the Calculation Agent (provided that no adjustments will be made to account solely for changes in volatility, except dividend, stock loan rate or liquidity).

In determining whether an adjustment should be made as a result of the occurrence of a Potential Adjustment Event, if options contracts or futures contracts on the Underlying Securities are traded on any stock exchange, the Calculation Agent may have regard to, but shall not be bound by, any adjustment to the terms of the relevant options contract or futures contract made and announced by such stock exchange. Any adjustments made in accordance with this Condition shall be notified to Noteholders in accordance with Condition 18.

(d) Consequences of a Merger Event or Tender Offer

If a Merger Event or Tender Offer, as the case may be, is specified as applicable in the relevant Final Terms, and a Merger Event or Tender Offer occurs, then on, or after the relevant Merger Date or Tender Offer Date, as the case may be, the Calculation Agent shall:

(i) (A) make such adjustment to the exercise, settlement, payment or any other terms of the Notes, as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Merger Event or Tender Offer, as the case may be, (provided that no adjustments will be made to account solely for changes in volatility, excepted dividends, stock loan rate or liquidity relative to the relevant Underlying Securities or to the Notes), which may, but need not be determined by reference to the adjustment(s) made in respect of such Merger Event or Tender Offer, as the case may be, by an options exchange to options on the relevant Underlying Securities traded on such options exchange, and (B) determine the effective date of any adjustment; or

(ii) if the Calculation Agent determines that no adjustment that it could make under (i) will produce a commercially reasonable result, then the Issuer shall redeem the Notes at their Early Redemption Amount as at the Merger Date or the Tender Offer Date, as the case may be, in accordance with Condition 7(g).

Any adjustment made in accordance with this Condition shall be notified to Noteholders in accordance with Condition 18.

(e) Consequences of a Nationalisation, Delisting or Insolvency

If Nationalisation, Delisting or Insolvency are specified as applicable in the relevant Final Terms then, if a Nationalisation, Delisting or Insolvency event occurs, as the case may be, the Issuer, in its sole and absolute discretion, may:

(i) (A) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment to any one or more of the Final Redemption Amount and/or the Underlying Securities Amount and/or any other terms of these Terms and Conditions and/or the relevant Final Terms to account for the Nationalisation, Delisting or Insolvency event, as the case my be, and (B) determine the effective date of any adjustment. In determining whether an adjustment should be made as a result of the occurrence of a Nationalisation, Delisting or Insolvency, as the case may be, if options contracts or futures contracts on the Underlying Securities are traded on any stock exchange, the Calculation Agent may have regard to, but shall not be bound by, any adjustment to the terms of the relevant options contract or futures contract made and announced by such stock exchange. Any adjustment made in accordance with this Condition shall be notified to Noteholders in accordance with Condition 18; or

(ii) redeem the Notes in accordance with Condition 7(g).

(f) Consequences of an Additional Disruption Event

If Additional Disruption Events are specified as applicable in the relevant Final Terms then, if an Additional Disruption Event occurs, the Issuer in its sole and absolute discretion may:

(i) (A) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment to any one or more of the Final Redemption Amount and/or the Underlying Securities Amount and/or any other terms of these Terms and Conditions and/or the relevant Final Terms to account for the Additional Disruption Event, and (B) determine the effective date of any adjustment; or

(ii) redeem the Notes at their Early Redemption Amount in accordance with Condition 7(i).

Any adjustment made in accordance with this Condition shall be notified to Noteholders in accordance with Condition 18.

(g) Adjustments for Equity Linked Redemption Notes in respect of Underlying Securities quoted in European Currencies

In respect of Equity Linked Redemption Notes relating to Underlying Securities originally quoted, listed and/or dealt as of the Issue Date in a currency of a member state of the European Union that has not adopted the single currency in accordance with the Treaty, if such Underlying Securities are at any time after the Issue Date quoted, listed and/or dealt exclusively in Euro on the relevant Exchange or, where no Exchange is specified in the relevant Final Terms, the principal market on which those Underlying Securities are traded, then the Calculation Agent will adjust any one or more of the Final Redemption Amount and/or the Underlying Securities Amount and/or any of the other terms of these Terms and Conditions and/or the relevant Final Terms as the Calculation Agent determines in its sole and absolute discretion to be appropriate to preserve the economic terms of the Notes. The Calculation Agent will make any conversion necessary for purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this Condition will affect the currency denomination of any payment obligation arising out of the Notes.

9 Provisions applicable to Index Linked Notes

The following provisions apply to Index Linked Notes:

(a) Adjustments for Successor Index Sponsors and Successor Indices

If the Index or one of the Indices is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor to the Index Sponsor (the "**Successor Index Sponsor**") acceptable to the Calculation Agent or (ii) replaced by a

successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the relevant Index or (iii) not in existence on or prior to the Valuation Date, but the Calculation Agent considers there to be in existence at such time an alternative index which, if substituted for the relevant Index, would materially preserve the economic equivalent of the rights of the Noteholders under the Notes immediately prior to such substitution, then the relevant successor Index (the "**Successor Index**") will be deemed to be the Index so calculated and published by the Successor Index Sponsor or that successor or the alternative index, as the case may be.

(b) Correction of an Index

If Correction of an Index is specified as applying in the relevant Final Terms and the official closing level of an Index published on the Index Valuation Date or Averaging Date, as the case may be, is subsequently corrected and the correction (the "**Corrected Index Level**") is published by the Index Sponsor of (if applicable) the Successor Index Sponsor prior to the Correction Cut-Off Date specified in the relevant Final Terms, then such Corrected Index Level shall be deemed to be the closing level of such Index for the Index Valuation Date or Averaging Date, as the case may be, and the Calculation Agent shall notify the Issuer and the Fiscal Agent of (a) that correction and (b) the amount of principal and/or interest (if any) that is payable as a result of that correction and as soon as reasonably practicable thereafter, the Issuer shall make payment of such amount in accordance with Condition 11.

(c) Disrupted Days

(i) If the Calculation Agent determines that any Valuation Date is a Disrupted Day in respect of an Index, then:

(A) where the Notes are specified in the relevant Final Terms to relate to a single Index, the Index Valuation Date for such Index shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day for such Index, unless each of the eight Scheduled Trading Days (or such other number of Scheduled Trading Days as may be specified in the relevant Final Terms) immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (a) the eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) shall be deemed to be the Index Valuation Date in respect of that Index, notwithstanding the fact that such day is a Disrupted Day, and (b) the Calculation Agent shall determine the Reference Level of the Affected Index as at the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day, using the Exchange traded or quoted level as of the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) of each security/commodity comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security/commodity on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms), its good faith estimate of the value for the relevant security/commodity as of the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms); or

(B) where the Notes are specified in the relevant Final Terms to relate to a Basket of Indices, the Index Valuation Date in respect of each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Index Valuation Date in respect of each Affected Index shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in respect of the Affected Index unless each of the eight Scheduled Trading Days (or such other number of Scheduled Trading Days as may be specified in the relevant Final Terms) immediately following the

Scheduled Valuation Date is a Disrupted Day in respect of the Affected Index. In that case, (a) the eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) shall be deemed to be the Index Valuation Date in respect of the Affected Index, notwithstanding the fact that such day is a Disrupted Day, and (b) the Calculation Agent shall determine the Reference Level of the Affected Index as at the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) in accordance with the formula for and method of calculating the Affected Index last in effect prior to the occurrence of the first Disrupted Day, using the Exchange traded or quoted level as of the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) of each security/commodity comprised in the Affected Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security/commodity on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms), its good faith estimate of the value for the relevant security/commodity as of the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms)).

(ii) If the Calculation Agent determines that any Averaging Date is a Disrupted Day in respect of an Index, then:

(A) if ''Omission'' is specified in the relevant Final Terms, such Averaging Date will be deemed not to be a relevant Averaging Date for purposes of determining the relevant Reference Level. If no Averaging Date would occur through the operation of this provision, then for the purposes of determining the Reference Level on the final Averaging Date, Condition 9(c)(ii) will apply as if such Averaging Date were an Index Valuation Date that was a Disrupted Day; or

(B) if ''Postponement'' is specified in the relevant Final Terms, then such Averaging Date shall be deferred in accordance with Condition 9(c)(i) as if it were an Index Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a date that already is or is deemed to be an Averaging Date for the Index Linked Notes; or

(C) if ''Modified Postponement'' is specified in the relevant Final Terms:

(a) where the Notes are specified in the relevant Final Terms to relate to a single Index, the Averaging Date in respect of that Index shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of the relevant Scheduled Valuation Date, then (i) the eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) shall be deemed to be the Averaging Date in respect of that Index (irrespective of whether such day is already an Averaging Date), and (ii) the Calculation Agent shall determine the Reference Level of the Affected Index as at the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day, using the Exchange traded or quoted level as of the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) of each security/commodity comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in

respect of the relevant security/commodity on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms), its good faith estimate of the value for the relevant security/commodity as of the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms)); or

(b) where the Notes are specified in the relevant Final Terms to relate to a Basket of Indices, the Averaging Date in respect of each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Averaging Date in respect of each Affected Index shall be the first Valid Date in respect of the Affected Index unless each of the eight Scheduled Trading Days (or such other number of Scheduled Trading Day as may be specified in the relevant Final Terms) immediately following the Scheduled Valuation Date is a Disrupted Day in respect of the Affected Index. If the first succeeding Valid Date in relation to an Affected Index has not occurred as of the Valuation Time on the eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) immediately following the Scheduled Valuation Date, then (i) the eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) shall be deemed to be the Averaging Date in respect of the Affected Index (irrespective of whether such day is already an Averaging Date), and (ii) the Calculation Agent shall determine the Reference Level of the Affected Index as at the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) in accordance with the formula for and method of calculating the Affected Index last in effect prior to the occurrence of the first Disrupted Day, using the Exchange traded or quoted level as of the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms) of each security/commodity comprised in the Affected Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security/commodity on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms), its good faith estimate of the value for the relevant security/commodity as of the Valuation Time on that eighth Scheduled Trading Day (or such other Scheduled Trading Day as may be specified in the relevant Final Terms)).

(d) Consequences of Index Modification, Index Cancellation and Index Disruption Event

If the Calculation Agent determines in its sole and absolute discretion that an Index Modification, Index Cancellation or Index Disruption Event has occurred, then the Issuer may:

(i) require the Calculation Agent to determine if such Index Modification, Index Cancellation or Index Disruption Event has a material effect on the Notes and, if so, the Rate of Interest, the Final Redemption Amount and/or any other relevant terms, using, in lieu of a published level of the relevant Index, the level of the relevant Index as at the relevant Valuation Time at the relevant Valuation Date, as determined by the Calculation Agent in accordance with the formula for and method of calculating the relevant Index last in effect prior to that change or failure, but using only those securities/commodities that comprised the relevant Index immediately prior to that change or failure (other than those securities that have since ceased to be listed on the relevant stock exchange); or

(ii) redeem the Notes at their Early Redemption Amount in accordance with Condition 7(h).

(e) Consequences of an Additional Disruption Event

If Additional Disruption Events are specified as applicable in the relevant Final Terms then, if an Additional Disruption Event occurs, the Issuer in its sole and absolute discretion may:

(i) (A) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment to any one or more of the Final Redemption Amount and/or any other terms of these Terms and Conditions and/or the relevant Final Terms to account for the Additional Disruption Event, and (B) determine the effective date of any adjustment; or

(ii) redeem the Notes at their Early Redemption Amount in accordance with Condition 7(i).

Any adjustment made in accordance with this Condition shall be notified to Noteholders in accordance with Condition 18.

10 Provisions applicable to FX Linked Notes

The following provisions apply to FX Linked Notes:

(a) Disrupted Days

(i) Single FX Rate and FX Reference Dates

Where the FX Linked Notes relate to a single FX Rate, and if the Calculation Agent determines that any FX Reference Date in respect of such FX Rate is a Disrupted Day, the Calculation Agent shall determine such FX Rate on such FX Reference Date in accordance with the first applicable Disruption Fallback (applied in accordance with its terms).

(ii) FX Rate Basket and FX Reference Dates

Where the FX Linked Notes relate to a basket of FX Rates, and if the Calculation Agent determines that any FX Reference Date in respect of one or more of such FX Rates is a Disrupted Day, then:

(A) for each FX Rate for which the Calculation Agent determines that such FX Reference Date is not a Disrupted Day, the FX Rate will be determined on such FX Reference Date from the relevant FX Price Source; and

(B) for each FX Rate for which the Calculation Agent determines that such FX Reference Date is a Disrupted Day, the Calculation Agent shall determine such FX Rate on such FX Reference Date in accordance with the first applicable Disruption Fallback (applied in accordance with its terms).

(iii) FX Averaging Reference Dates

If the relevant Final Terms specify that "FX Averaging Reference Dates — Omission" is applicable, if the Calculation Agent determines that any FX Averaging Reference Date is a Disrupted Day, then such FX Averaging Reference Date will be deemed not to be a relevant FX Averaging Reference Date for the purposes of determining any amount payable under the FX Linked Notes or making any other determination thereunder, provided that, if through the operation of this provision there would not be any FX Averaging Reference Dates, then the final FX Averaging Reference Date will be deemed to be the sole FX Averaging Reference Date, and the Calculation Agent shall determine the FX Rate on such sole FX Averaging Reference Date in accordance with the first applicable Disruption Fallback (applied in accordance with its terms).

(b) Fallback Valuation Date

Notwithstanding any other terms of this Condition 10, if Fallback Valuation Date is specified in the relevant Final Terms to be applicable to any FX Reference Date or any other relevant date (any such date being, for the purposes of this Condition 10(b), an "**FX Relevant Date**") for an FX Rate, and if, following adjustment of such FX Relevant Date on account of the FX Scheduled Reference Date not being an FX Business Day (for the purposes of this Condition 10(b), an "**Affected FX Rate**") the FX Relevant Date

would otherwise fall after the specified Fallback Valuation Date in respect of such Affected FX Rate, then such Fallback Valuation Date shall be deemed to be such FX Relevant Date for such Affected FX Rate.

If such Fallback Valuation Date is not an FX Business Day or is a Disrupted Day in respect of such Affected FX Rate, as the case may be, then the Calculation Agent shall determine its good faith estimate of the value for such Affected FX Rate on such Fallback Valuation Date.

(c) Corrections to Published and Displayed Rates

(i) In any case where an FX Rate is based on information obtained from the Reuters Monitor Money Rates Service, or any other financial information service, the FX Rate will be subject to the corrections, if any, to that information subsequently displayed by that source within one hour of the time when such rate is first displayed by such source, unless the Calculation Agent determines in its sole and absolute discretion that it is not practicable to take into account such correction.

(ii) Notwithstanding Condition 10(c)(i) above, in any case where the FX Rate is based on information published or announced by any governmental authority in a relevant country, the FX Rate will be subject to the corrections, if any, to that information subsequently published or announced by that source within five days of the relevant FX Reference Date, unless the Calculation Agent determines' in its sole and absolute discretion that it is not practicable to take into account such correction.

(d) Successor Currency

Where the relevant Final Terms specify that ''Successor Currency'' is applicable in respect of an FX Rate, then:

(i) each Reference Currency will be deemed to include any lawful successor currency to the Reference Currency (the ''**Successor Currency**'');

(ii) if the Calculation Agent determines that on or after the Issue Date but on or before any relevant date under the FX Linked Notes on which an amount may be payable, a country has lawfully eliminated, converted, redenominated or exchanged its currency in effect on the Issue Date or any Successor Currency, as the case may be (the ''**Original Currency**'') for a Successor Currency, then for the purposes of calculating any amounts of the Original Currency or effecting settlement thereof, any Original Currency amounts will be converted to the Successor Currency by multiplying the amount of Original Currency by a ratio of Successor Currency to Original Currency, which ratio will be calculated on the basis of the exchange rate set forth by the relevant country of the Original Currency for converting the Original Currency into the Successor Currency on the date on which the elimination, conversion, redenomination or exchange took place, as determined by the Calculation Agent. If there is more than one such date, the date closest to such relevant date will be selected (or such other date as may be selected by the Calculation Agent in its sole and absolute discretion); and

(iii) notwithstanding paragraph (ii) above but subject to paragraph (iv) below, the Calculation Agent may (to the extent permitted by the applicable law), in good faith and in a commercially reasonably manner, select such other exchange rate or other basis for the conversion of an amount of the Original Currency to the Successor Currency and, will make such adjustment(s) that it determines to be appropriate, if any, to any variable, calculation methodology, valuation, settlement, payment terms or any other terms in respect of the FX Linked Notes to account for such elimination, conversion, redenomination or exchange of the Reference Currency.

(e) Rebasing of FX Linked Notes

If the relevant Final Terms specify that ''Rebasing'' is applicable, then if, on or prior to any FX Reference Date or any other relevant date, the Calculation Agent is unable to obtain a value for an FX Rate (because the Reference Currency and/or Base Currency ceases to exist, or for any other reason other than a temporary disruption, as

determined by the Calculation Agent), the Calculation Agent may rebase the FX Linked Notes against another foreign exchange rate determined by the Calculation Agent, in its sole and absolute discretion, to be a comparable foreign exchange rate. If the Calculation Agent determines in its sole and absolute discretion that there is not such a comparable foreign exchange rate, the Issuer may elect to redeem the FX Linked Notes by notice to Holders on the date specified in the notice at the Early Redemption Amount of each FX Linked Note.

(f) Consequences of an Additional Disruption Event

If Additional Disruption Events are specified in the relevant Final Terms then, if an Additional Disruption Event has occurred, the Issuer in its sole and absolute discretion may:

(i) (A) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment to the Final Redemption Amount or any other terms of the FX Linked Notes as the Calculation Agent determines appropriate to account for such Additional Disruption Event, and (B) determine the effective date of any adjustment; or

(ii) redeem the FX Linked Notes at the Early Redemption Amount in accordance with Condition 7(i).

Any adjustment made in accordance with this Condition shall be notified to Noteholders in accordance with Condition 18.

(g) FX Rates Definitions

Asia/Southeast Asia

Chinese Renminbi

(i) "**CNY SAEC**" or "**CNY01**" each means that the Spot Rate for a Rate Calculation Date will be the Chinese Renminbi/U.S. Dollar official fixing rate, expressed as the amount of Chinese Renminbi per one U.S. Dollar, for settlement in two Business Days reported by the People's Bank of China, Beijing, People's Republic of China, which appears on the Reuters Screen "SAEC" Page opposite the symbol "USDCNY=" at approximately 9.15 a.m., Beijing time, on that Rate Calculation Date.

(ii) "**SFEMC CNY INDICATIVE SURVEY RATE**" or "**CNY02**" each means that the Spot Rate for a Rate Calculation Date will be the Chinese Renminbi/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Chinese Renminbi per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC's website (www.sfemc.org) at approximately 3:30 p.m. (Singapore time), or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC CNY Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Chinese Renminbi/U.S. Dollar markets for the purpose of determining the SFEMC CNY Indicative Survey Rate).

Indian Rupee

(i) "**INR RBIB**" or "**INR01**" each means that the Spot Rate for a Rate Calculation Date will be the Indian Rupee/U.S. Dollar reference rate, expressed as the amount of Indian Rupee per one U.S. Dollar, for settlement in two Business Days reported by the Reserve Bank of India which appears on the Reuters Screen RBIB Page at approximately 12:30 p.m., Mumbai time, or as soon thereafter as practicable, on that Rate Calculation Date.

(ii) "**SFEMC INR INDICATIVE SURVEY RATE**" or "**INR02**" each means that the Spot Rate for a Rate Calculation Date will be the Indian Rupee/U.S. Dollar Annex A Compendium 10 Specified Rate for U.S. Dollars, expressed as the amount of Indian Rupee per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC's website (www.sfemc.org) at approximately 3:30 p.m. (Singapore time), or as soon thereafter as practicable, on such Rate Calculation

Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC INR Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Indian Rupee/U.S. Dollar markets for the purpose of determining the SFEMC INR Indicative Survey Rate).

Korean Won

(i) "**KRW KFTC18**" or "**KRW02**" each means that the Spot Rate for a Rate Calculation Date will be the Korean Won/U.S. Dollar market average rate, expressed as the amount of Korean Won per one U.S. Dollar, for settlement in two Business Days reported by the Korea Financial Telecommunications and Clearing Corporation which appears on the Reuters Screen KFTC18 Page to the right of the caption "USD Today" that is available at approximately 3:30 p.m., Seoul time, on the Rate Calculation Date or as soon thereafter as practicable.

(ii) "**KRW TELERATE 45644**" or "**KRW03**" each means that the Spot Rate for a Rate Calculation Date will be the Korean Won/U.S. Dollar market average rate, expressed as the amount of Korean Won per one U.S. Dollar, for settlement in two Business Days reported by the Korea Financial Telecommunications and Clearing Corporation which appears on Telerate Page 45644 to the right of the caption "USD Today" that is available at approximately 3:30 p.m., Seoul time, on the Rate Calculation Date or as soon thereafter as practicable.

(iii) "**SFEMC KRW INDICATIVE SURVEY RATE**" or "**KRW04**" each means that the Spot Rate for a Rate Calculation Date will be the Korean Won/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Korean Won per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC's website (www.sfemc.org) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC KRW Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Korean Won/U.S. Dollar markets for the purpose of determining the SFEMC KRW Indicative Survey Rate).

Philippine Peso

(i) "**PHP PHPESO**" or "**PHP01**" each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day reported by the Philippine Dealing system which appears on the Reuters Screen PHPESO Page to the right of the caption "AM WT AVE" at approximately 12:30 p.m., Manila time, on that Rate Calculation Date.

(ii) "**PHP TELERATE 2920**" or "**PHP02**" each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day reported by the Philippine Dealing System which appears on the Telerate Page 2920 to the right of the caption "AM WT AVE" at approximately 12:30 p.m., Manila time, on that Rate Calculation Date.

(iii) "**PHP TELERATE 15439**" or "**PHP03**" each means that the Spot Rate for a Rate Calculation date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in on Business Day reported by the Philippine Dealing System which appears on the Telerate Page 15439 to the right of the caption "AM WT AVE" at approximately 12:30 p.m., Manila time, on that Rate Calculation Date.

(iv) "**PHP PHPES01**" or "**PHP04**" each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day reported by the Philippine Dealing System which appears on the Reuters Screen PHPES01 Page to the right of the caption "AM WT AVE" at approximately 12:30 p.m., Manila time, on that Rate Calculation Date.

(v) "**SFEMC PHP INDICATIVE SURVEY RATE**" or "**PHP05**" each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day, as published on SFEMC's website (www.sfemc.org) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC PHP Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Philippine Peso/U.S. Dollar markets for the purpose of determining the SFEMC PHP Indicative Survey Rate).

(vi) "**PHP PDSPESO**" or "**PHP06**" each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day reported by the Philippine Dealing System PDEX which appears on the Reuters Screen PDSPESO Page to the right of the caption "AM WT AVE" at approximately 11:30 a.m., Manila time, or as soon thereafter as practicable, on that Rate Calculation Date.

Taiwanese Dollar

(i) "**TWD TELERATE 6161**" or "**TWD01**" each mean that the Spot Rate for a Rate Calculation Date will be the Taiwanese Dollar/U.S. Dollar spot rate, expressed as the amount of Taiwanese Dollars per one U.S. Dollar, for settlement in two Business Days, reported by the Taipei Forex Inc. which appears on the Telerate Page 6161 under the heading "Spot" as of 11:00 a.m., Taipei time, on that Rate Calculation Date, or if no rate appears as of 11:00 a.m., Taipei time, the rate that first appears in any of the next succeeding 15 minute intervals after such time, up to and including 12:00 noon, Taipei time, on that Rate Calculation Date.

(ii) "**TWD TAIFX1**" or "**TWD03**" each mean that the Spot Rate for a Rate Calculation Date will be the Taiwanese Dollar/U.S. Dollar spot rate, expressed as the amount of Taiwanese Dollars per one U.S. Dollar, for settlement in two Business Days, reported by the Taipei Forex Inc. which appears on the Reuters Screen TAIFX1 Page under the heading "Spot" as of 11:00 a.m. Taipei time, on that Rate Calculation Date, or if no rate appears as of 11:00 a.m., Taipei time, the rate that first appears in any of the next succeeding 15 minute intervals after such time, up to and including 12:00 noon, Taipei time on that Rate Calculation Date.

(iii) "**SFEMC TWD INDICATIVE SURVEY RATE**" or "**TWD04**" each means that the Spot Rate for a Rate Calculation Date will be the Taiwanese Dollar/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Taiwanese Dollars per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC's website (www.sfemc.org) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC TWD Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Taiwanese Dollar/U.S. Dollar markets for the purpose of determining the SFEMC TWD Indicative Survey Rate).

Malaysian Ringgit

(i) "**MYR ABS**" or "**MYR01**" each means that the Spot Rate for a Rate Calculation Date will be the Malaysian Ringgit/U.S. Dollar spot rate at 11:00 a.m., Singapore time, expressed as the amount of Malaysian Ringgit per one U.S. Dollar, for settlement in two Business Days, reported by the Association of Banks in Singapore, which appears on the Telerate Page 50157 to the right of the caption "Spot" under the column "MYR" at approximately 11:30 a.m., Singapore time, on that Rate Calculation Date.

(ii) "**SFEMC MYR INDICATIVE SURVEY RATE**" or "**MYR02**" each means that the Spot Rate for a Rate Calculation Date will be the Malaysian Ringgit/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Malaysian Ringgit per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC's website (www.sfemc.org) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC MYR Indicative Survey Methodology (which means a methodology, dated as of 15 July 2005, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Malaysian Ringgit/U.S. Dollar markets for the purpose of determining the SFEMC MYR Indicative Survey Rate).

Indonesian Rupiah

(i) "**IDR ABS**" or "**IDR01**" each means that the Spot Rate for a Rate Calculation Date will be the Indonesian Rupiah/U.S. Dollar spot rate at 11:00 a.m., Singapore time, expressed as the amount of Indonesian Rupiah per one U.S. Dollar, for settlement in two Business Days, reported by the Association of Banks in Singapore which appears on the Telerate Page 50157 to the right of the caption "Spot" under the column "IDR" at approximately 11:30 a.m., Singapore time, on that Rate Calculation Date.

(ii) "**SFEMC IDR INDICATIVE SURVEY RATE**" or "**IDR02**" each means that the Spot Rate for a Rate Calculation Date will be the Indonesian Rupiah/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Indonesian Rupiah per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC's website (www.sfemc.org) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC IDR Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Indonesian Rupiah/U.S. Dollar markets for the purpose of determining the SFEMC IDR Indicative Survey Rate).

Pakistani Rupee

(i) "**PKR SBPK**" or "**PKR01**" each means that the Spot Rate for a Rate Calculation Date will be the Pakistani Rupee/U.S. Dollar reference rate expressed as the amount of Pakistani Rupees per one U.S. Dollar, for settlement in two Business Days reported by the State Bank of Pakistan (www.sbp.org.pk) at approximately 2:30 pm, Karachi time, on that Rate Calculation Date.

(ii) "**SFEMC PKR INDICATIVE SURVEY RATE**" or "**PKR02**" each means that the Spot Rate for a Rate Calculation Date will be the Pakistani Rupee/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Pakistani Rupees per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC's website (www.sfemc.org) at approximately 3:30 p.m. Singapore time, or as soon thereafter as practicable, on that Rate Calculation Date. The Spot Rate shall be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC PKR Indicative Survey Methodology (which means a methodology, dated as of 14 July 2008, as amended from time to time,

for a centralised industry-wide survey of financial institutions that are active participants in the Pakistani Rupee/U.S. Dollar markets for the purpose of determining the SFEMC PKR Indicative Survey Rate).

Vietnamese Dong

(i) "**VND ABS**" or "**VND01**" each means that the Spot Rate for a Rate Calculation Date will be the Vietnamese Dong/U.S. Dollar spot rate at 11:00 a.m., Singapore time, expressed as the amount of Vietnamese Dong per one U.S. Dollar, for settlement in two Business Days reported by the Association of Banks in Singapore, which appears on the Reuters Screen ABSIRFIX01 Page to the right of the caption "Spot" under the column "VND" at approximately 11:30 a.m., Singapore time, on that Rate Calculation Date.

(ii) "**VND FX**" or "**VND02**" each means that the Spot Rate for a Rate Calculation Date will be the Vietnamese Dong/U.S. Dollar spot rate expressed as the amount of Vietnamese Dong per one U.S. Dollar, for settlement in two Business Days which appears on Reuters Screen VNDFIX=VN Page under the caption "Spot" and to the right of the caption "Average" at approximately 11:00 am, Hanoi time, on that Rate Calculation Date.

(iii) "**SFEMC VND INDICATIVE SURVEY RATE**" or "**VND03**" each means that the Spot Rate for a Rate Calculation Date will be the Vietnamese Dong/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Vietnamese Dong per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC's website (www.sfemc.org) at approximately 3:30 p.m., Singapore time, or as soon as thereafter as practicable, on that Rate Calculation Date. The Spot Rate shall be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC VND Indicative Survey Methodology (which means a methodology, dated as of 14 July 2008, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Vietnamese Dong/U.S. Dollar markets for the purpose of determining the SFEMC VND Indicative Survey Rate).

Central and Eastern Europe

Hungarian Forint

(i) "**HUF USD Official Rate**" or "**HUF01**" each means that the Spot Rate for a Rate Calculation Date will be the Hungarian Forint/U.S. Dollar official rate for U.S. Dollars, expressed as the amount of Hungarian Forints per one U.S. Dollar, for settlement in two Business Days calculated by the National Bank of Hungary which appears on the Reuters Screen HUFE page at approximately 12:00 noon, Budapest time, on that Rate Calculation Date.

(ii) "**HUF EUR Official Rate**" or "**HUF02**" each means that the Spot Rate for a Rate Calculation Date will be the Hungarian Forint/euro official rate for euros, expressed as the amount of Hungarian Forints per one euro, for settlement in two Business Days calculated by the National Bank of Hungary which appears on the Reuters Screen HUFE page at approximately 12:00 noon, Budapest time, on that Rate Calculation Date.

Polish Zloty

(i) "**PLZ NBPQ**" or "**PLZ01**" each means that the Spot Rate for a Rate Calculation Date will be the Polish Zloty/U.S. Dollar fixing rate, expressed as the amount of Polish Zloty per one U.S. Dollar, for settlement in two Business Days reported by the National Bank of Poland which appears on the Reuters Screen NBPQ Page at approximately 11:00 a.m., Warsaw time, on that Rate Calculation Date.

(ii) "**PLZ NBPR**" or "**PLZ02**" each means that the Spot Rate for a Rate Calculation Date will be the Polish Zloty/U.S. Dollar mid rate, expressed as the amount of Polish Zloty per one U.S. Dollar, for settlement in two Business Days reported by the National Bank of Poland which appears on the Reuters Screen NBPR Page below the caption "Central Parity" at approximately 11:00 a.m., Warsaw time, on that Rate Calculation Date.

Russian Ruble

(i) "**RUB MICEXFRX**" or "**RUB01**" each means that the Spot Rate for a Rate Calculation Date will be the Russian Ruble/U.S. Dollar Specified Rate, expressed as the amount of Russian Rubles per one U.S. Dollar, for settlement on the same day reported by the Moscow Interbank Currency Exchange which appears on the Reuters Screen MICEXFRX Page as of 10:30 a.m., Moscow time, on that Rate Calculation Date.

(ii) "**RUB MMVB**" and "**RUB02**" each means that the Spot Rate for a Rate Calculation Date will be the Russian Ruble/U.S. Dollar Specified Rate, expressed as the amount of Russian Rubles per one U.S. Dollar, for settlement on the same day reported by the Moscow Interbank Currency Exchange which appears on the Reuters Screen MMVB Page as of 10:30 a.m., Moscow time, on that Rate Calculation Date.

(iii) "**RUB CME-EMTA**" and "**RUB03**" each means that the Spot Rate for a Rate Calculation Date will be the Russian Ruble/U.S. Dollar Specified Rate, expressed as the amount of Russian Rubles per one U.S. Dollar, for settlement in one Business Day, calculated by the Chicago Mercantile Exchange ("**CME**") and as published on CME's website, which appears on the Reuters Screen EMTA Page, at approximately 1:30 p.m., Moscow time, on that Rate Calculation Date. The Spot Rate shall be calculated by the CME pursuant to the Chicago Mercantile Exchange/EMTA, Inc. Daily Russian Ruble Per U.S. Dollar Reference Rate Methodology (which means a methodology, effective as of 16 June 2005, as amended from time to time, for a centralised industry-wide survey of financial institutions in Russia that are active participants in the Russian Ruble/U.S. Dollar spot market for the purpose of determining the RUB CME-EMTA Rate).

(iv) "**EMTA RUB INDICATIVE SURVEY RATE**" and "**RUB04**" each means that the Spot Rate for a Rate Calculation Date will be the Russian Ruble/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Russian Rubles per one U.S. Dollar, for settlement in one Business Day, as published on EMTA's web site (www.emta.org) at approximately 2:45 p.m., Moscow time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA RUB Indicative Survey Methodology (which means a methodology dated as of 16 June 2005, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Russian Ruble/U.S. Dollar spot market for the purpose of determining the EMTA RUB Indicative Survey Rate).

Kazakhstan Tenge

(i) "**KZT KASE**" or "**KZT01**" each means that the Spot Rate for a Rate Calculation Date will be the Kazakhstan Tenge/U.S. Dollar weighted average rate, expressed as the amount of Kazakhstan Tenge per one U.S. Dollar, for settlement on the same Business Day reported by the Kazakhstan Stock Exchange (www.kase.kz) at approximately 11:00 a.m., Almaty time, on that Rate Calculation Date.

(ii) "**EMTA KZT INDICATIVE SURVEY RATE**" or "**KZT02**" each means that the Spot Rate for a Rate Calculation Date will be the Kazakhstan Tenge/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Kazakhstan Tenge per one U.S. Dollar, for settlement on the same Business Day, as published on EMTA's website (www.emta.org) at approximately 1:00 p.m., Almaty time, or as soon thereafter as practicable, on that Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA KZT Indicative Survey Methodology (which means a methodology, dated as of 16 March 2009, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Kazakhstan Tenge/U.S. Dollar markets for the purpose of determining the EMTA KZT Indicative Survey Rate).

Ukrainian Hryvnia

(i) "**UAH GFI**" or "**UAH01**" each means that the Spot Rate for a Rate Calculation Date will be the Ukrainian Hryvnia/U.S. Dollar spot rate, expressed as the amount of Ukrainian Hryvnia per one U.S. Dollar, for settlement on the same Business Day reported by GFI Brokers on Thomson Reuters Page GFIU by 9:30 a.m., London time, on that Rate Calculation Date.

(ii) "**EMTA UAH INDUSTRY SURVEY RATE**" or "**UAH02**" each means that the Spot Rate for a Rate Calculation Date will be the Ukrainian Hryvnia/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Ukrainian Hryvnia per one U.S. Dollar, for settlement on the same Business Day calculated by Thomson Reuters pursuant to the EMTA UAH Industry Survey Methodology, which rate appears on EMTA's website (www.emta.org) and on the Thomson Reuters Page EMTAUAHFIX at approximately 11.30am, Kiev time, on that Rate Calculation Date. The "**EMTA UAH Industry Survey Methodology**" as used herein means the methodology dated as of 16 March 2009, for a centralised industry wide survey of financial institutions in the Ukrainian Hryvnia/U.S. Dollar spot market for the purposes of determining the EMTA UAH Industry Survey Rate.

(iii) "**EMTA UAH INDICATIVE SURVEY RATE**" or "**UAH03**" each means that the Spot Rate for a Rate Calculation Date will be the Ukrainian Hryvnia/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Ukrainian Hryvnia per one U.S. Dollar, for settlement on the same Business Day, as published on EMTA's website (www.emta.org) at approximately 2:00 p.m., Kiev time, or as soon thereafter as practicable, on that Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA UAH Indicative Survey Methodology (which means a methodology, dated as of 16 March 2009, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Ukrainian Hryvnia/U.S. Dollar markets for the purpose of determining the EMTA UAH Indicative Survey Rate).

Latin America

Argentine Peso

(i) "**ARS BNAR**" or "**ARS01**" each means that the Spot Rate for a Rate Calculation Date will be the Argentine Peso/U.S. Dollar Specified Rate, expressed as the amount of Argentine Pesos per one U.S. Dollar, for settlement on the same day which appears on the Reuters Screen BNAR Page at the close of business in Buenos Aires on that Rate Calculation Date.

(ii) "**EMTA ARS INDUSTRY SURVEY RATE**" or "**ARS03**" each means that the Spot Rate for a Rate Calculation Date will be the Argentine Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Argentine Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA's web site (www.emta.org) at approximately 1:00 p.m. (Buenos Aires time), or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA ARS Industry Survey Methodology (which means a methodology, dated as of 2 January 2003, as amended from time to time, for a centralised industry-wide survey of financial institutions in Buenos Aires that are active participants in the Argentine Peso/U.S. Dollar spot markets for the purpose of determining the EMTA ARS Industry Survey Rate).

(iii) "**EMTA ARS INDICATIVE SURVEY RATE**" or "**ARS04**" each means that the Spot Rate for a Rate Calculation Date will be the Argentine Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Argentine Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA's web site (www.emta.org) at approximately 1:00 p.m. (Buenos Aires time), or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA ARS Indicative Survey Methodology (which means a methodology, dated as of 2 January 2003, as amended from time to time, for a

centralised industry-wide survey of financial institutions that are active participants in the Argentine Peso/U.S. Dollar markets for the purpose of determining the EMTA ARS Indicative Survey Rate).

Brazilian Real

(i) "**BRL BRBY**" or "**BRL01**" each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar interbank rate, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days which appears on the Reuters Screen BRBY Page to the right of the caption "Interbank", below the heading "Last" at the Specified Time on that Rate Calculation Date.

(ii) "**BRL OFFICIAL RATE**" or "**BRL02**" each means the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar official rate, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central do Brasil in the "Diário Oficial da Unio" on the first Business Day following that Rate Calculation Date.

(iii) "**BRL PCOT**" or "**BRL03**" each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar offered rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central do Brasil on SISBACEN Data System under transaction code PCOT-390, Option 3, at the Specified Time on that Rate Calculation Date.

(iv) "**BRL PTAX**" or "**BRL09**" each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar offered rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central do Brasil on SISBACEN Data System under transaction code PTAX-800 ("*Consulta de Cambio*" or Exchange Rate Inquiry), Option 5 ("*Cotacões para Contabilidade*" or "**Rates for Accounting Purposes**") by approximately 6:00 p.m., So Paulo time, on that Rate Calculation Date.

(v) "**BRL PTAX BRFR**" or "**BRL10**" each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar offered rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central do Brasil on SISBACEN Data System under transaction code PTAX-800 ("*Consulta de Cambio*" or Exchange Rate Inquiry), Option 5 ("*Cotacoes para Contabilidade*" or Rates for Accounting Purposes), which appears on Reuters Screen BRFR Page under the caption "Dolar PTAX" at approximately 8:30 a.m., So Paulo time, on the first Business Day following that Rate Calculation Date.

(vi) "**BRL INDUSTRY SURVEY RATE**" or "**BRL11**" each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar offered rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days calculated by the Chicago Mercantile Exchange pursuant to the BRL Methodology which appears on the Reuters Screen EMTA Page at approximately 12:30 p.m. So Paulo time, or as soon thereafter as practicable, on the first Business Day following the Rate Calculation Date. "**BRL Methodology**" as used herein means the methodology dated 8 November 1999, establishing a centralised industrywide survey of financial institutions in Brazil that are active participants in the Brazilian Real/U.S. Dollar spot markets for the purpose of determining the BRL Industry Survey Rate. (The BRL Methodology is available on the websites of The Foreign Exchange Committee and EMTA.)

(vii) "**EMTA BRL INDUSTRY SURVEY RATE**" or "**BRL12**" each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days, as published on EMTA's web site (www.emta.org) at approximately 3:45 p.m. (So Paulo time), or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA BRL Industry Survey Methodology (which means a methodology,

dated as of 1 March 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions in Brazil that are active participants in the Brazilian Real/U.S. Dollar spot markets for the purpose of determining the EMTA BRL Industry Survey Rate).

(viii) "**EMTA BRL INDICATIVE SURVEY RATE**" or "**BRL13**" each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days, as published on EMTA's web site (www.emta.org) at approximately 12:00 p.m. (So Paulo time), or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA BRL Indicative Survey Methodology (which means a methodology, dated as of 1 March 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Brazilian Real/U.S. Dollar markets for the purpose of determining the EMTA BRL Indicative Survey Rate).

Chilean Peso

(i) "**CLP BCCHILG**" or "**CLP01**" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar observado rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day reported by the Banco Central de Chile which appears on the Reuters Screen BCCHILG Page under the caption "OBSERVADO" at approximately 10:00 a.m., Santiago time, on the first Business Day following that Rate Calculation Date.

(ii) "**CLP INFORMAL**" or "**CLP02**" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar informal rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day of the informal exchange market which appears on the Reuters Screen CLPP= Page at the Specified Time on that Rate Calculation Date.

(iii) "**CLP INTERBANK**" or "**CLP03**" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar interbank rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day reported by the Banco Central de Chile for the formal exchange market which appears on the Reuters Screen CLP= Page at the Specified Time on that Rate Calculation Date.

(iv) "**CLP OBSERVADO**" or "**CLP04**" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar observado rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day reported by the Banco Central de Chile which appears on the Reuters Screen CLPOB= Page below the caption "Value" at approximately 10:00 a.m., Santiago time, on the first Business Day following that Rate Calculation Date.

(v) "**CLP OFFICIAL RATE**" or "**CLP08**" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar official rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, calculated in accordance with Title I, Chapter 1, Number 6 of the Compendium of International Exchange Norms of the Banco Central de Chile and published by the Banco Central de Chile at the Specified Time, if any, on the first Business Day following that Rate Calculation Date.

(vi) "**CLP TELERATE 38942**" or "**CLP09**" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar observado rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day reported by the Banco Central de Chile which appears on the Telerate Page 38942 below the caption "Dolar Observado" at approximately 10:00 a.m., Santiago time, on the first Business Day following that Rate Calculation Date.

(vii) "**CLP DÓLAR OBS**" or "**CLP10**" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar "observado" rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement in one

Business Day reported by the Banco Central de Chile (www.bcentral.cl) as the "Dólar Observado" (Dollar Observado) rate by not later than 10:30 a.m., Santiago time, on the first Business Day following that Rate Calculation Date.

(viii) "**EMTA CLP INDICATIVE SURVEY RATE**" or "**CLP11**" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA's web site (www.emta.org) at approximately 11:00 a.m., Santiago time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA CLP Indicative Survey Methodology (which means a methodology, dated as of 1 August 2006, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Chilean Peso/U.S. Dollar markets for the purpose of determining the EMTA CLP Indicative Survey Rate).

Colombian Peso

(i) "**COP CO/COL03**" or "**COP01**" each means that the Spot Rate for a Rate Calculation Date will be the Colombian Peso/U.S. Dollar fixing rate, expressed as the amount of Colombian Pesos per one U.S. Dollar, for settlement on the same day reported by the Colombian Banking Superintendency which appears on the Reuters Screen CO/COL03 Page to the right of the caption "TCRM" ("Tasa de Cierre Representative del Mercado" or closing market price) below the heading "Hoy" at approximately 9:30 a.m., Bogota time, on the first Business Day following that Rate Calculation Date.

(ii) "**COP TRM**" or "**COP02**" each means that the Spot Rate for a Rate Calculation Date will be the Colombian Peso/U.S. Dollar fixing rate, expressed as the amount of Colombian Pesos per one U.S. Dollar, for settlement on the same day reported by the Colombian Financial Superintendency (www.banrep.gov.co) as the "Tasa Representativa del Mercado (TRM)" (also referred to as the "Tasa de Cambio Representativa del Mercado" (TCRM)) by not later than 10:30 a.m., Bogotá time, on the first Business Day following that Rate Calculation Date.

(iii) "**EMTA COP INDICATIVE SURVEY RATE**" or "**COP03**" each means that the Spot Rate for a Rate Calculation Date will be the Colombian Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Colombian Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA's web site (www.emta.org) at approximately 11:30 a.m., Bogotá time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA COP Indicative Survey Methodology (which means a methodology, dated as of 1 August 2006, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Colombian Peso/U.S. Dollar markets for the purpose of determining the EMTA COP Indicative Survey Rate).

Ecuadorian Sucre

(i) "**ECS DNRP**" or "**ECS01**" each means that the Spot Rate for a Rate Calculation Date will be the Ecuadorian Sucre/U.S. Dollar Specified Rate, expressed as the amount of Ecuadorian Sucres per one U.S. Dollar, for settlement in one Business Day which appears on Reuters Screen DNRP Page below the caption "Official" at 12:00 noon, Guayaquil time, on that Rate Calculation Date.

(ii) "**ECS ECBCE02**" or "**ECS02**" each means that the Spot Rate for a Rate Calculation Date will be the Ecuadorian Sucre/U.S. Dollar Specified Rate, expressed as the amount of Ecuadorian Sucres per one U.S. Dollar, for settlement in one Business Day which appears on Reuters Screen ECBCE02 Page at the Specified Time on that Rate Calculation Date.

Mexican Peso

(i) "**MXP BNMX**" or "**MXP01**" each means that the Spot Rate for a Rate Calculation Date will be the Mexican Peso/U.S. Dollar fixing rate, expressed as the amount of Mexican Pesos per one U.S. Dollar, for settlement in two Business Days reported by Banco de Mexico which appears on the Reuters Screen BNMX Page opposite the caption "Fix" at the close of business in Mexico City on that Rate Calculation Date.

(ii) "**MXP FIXING RATE**" or "**MXP02**" each means that the Spot Rate for a Rate Calculation Date will be the Mexican Peso/U.S. Dollar fixing rate, expressed as the amount of Mexican Pesos per one U.S. Dollar, for settlement in two Business Days which is published by Banco de Mexico in the Official Gazette of the Federation pursuant to the "Disposiciones aplicables a la determinacion del tipo de Câmbio para solventar obligaciones denominadas en moneda extranjera pagaderas en la Republica Mexicana" (Rules applicable to determine the exchange rate to pay obligations denominated in foreign currency payable in Mexico) on the first Business Day following that Rate Calculation Date.

(iii) "**MXP MEX01**" or "**MXP03**" each means that the Spot Rate for a Rate Calculation Date will be the Mexican Peso/U.S. Dollar fixing rate, expressed as the amount of Mexican Pesos per one U.S. Dollar, for settlement in two Business Days reported by Banco de Mexico which appears on Reuters Screen MEX01 Page under the heading "MXNFIX=RR", at the close of business in Mexico City on that Rate Calculation Date.

(iv) "**MXP PUBLISHE**" or "**MXP04**" each means the Spot Rate for a Rate Calculation Date will be the Mexican Peso/U.S. Dollar fixing rate, expressed as the amount of Mexican Pesos per one U.S. Dollar, for settlement in two Business Days published by the Bolsa Mexicana de Valores, S.A. de C.V. (as established in Section 2 of the "Resolution concerning the exchange rate applicable for calculating the Mexican Peso equivalent of principal and interest of Mexican Treasury Notes denominated in foreign currency and payable in Mexican Pesos" published in the Diário Oficial de la Federacion on 11 November 1991) in the Movimiento Diário del Mercado de Valores de la Bolsa Mexicana de Valores, S.A. de C.V. under the heading "Movimiento Diário del Mercado de Valores" on that Rate Calculation Date.

Peruvian Sol

(i) "**PEN PDSB**" or "**PEN01**" each means that the Spot Rate for a Rate Calculation Date will be the Peruvian Sol/U.S. Dollar Specified Rate, expressed as the amount of Peruvian Sols per one U.S. Dollar, for settlement on that same day which appears on the Reuters Screen PDSB Page in the row entitled "INTRB" and below the caption "ULT/REUTERS" at approximately 12:00 noon, Lima time, on that Rate Calculation Date.

(ii) "**PEN PDSC**" or "**PEN02**" each means that the Spot Rate for a Rate Calculation Date will be the Peruvian Sol/U.S. Dollar interbank rate expressed as the amount of Peruvian Sols per one U.S. Dollar, for settlement on that same day which appears on the Reuters Screen PDSC Page below the caption "INTERBANCARIO" as of 11:00 a.m., Lima time, on that Rate Calculation Date.

(iii) "**PEN WT AVE**" or "**PEN03**" each means that the Spot Rate for a Rate Calculation Date will be the midpoint of the Peruvian Sol/U.S. Dollar closing weighted average bid and offer ("*compra y venta*") exchange rates expressed as the amount of Peruvian New Soles per one U.S. Dollar for settlement on the same day, reported by the Superintendencia de Banca, Seguros y AFP (www.sbs.gob.pe) of the Republic of Peru at approximately 5:00 p.m., Lima time, on that Rate Calculation Date.

(iv) "**EMTA PEN INDICATIVE SURVEY RATE**" or "**PEN04**" each means that the Spot Rate for a Rate Calculation Date will be the Peruvian Sol/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Peruvian Soles per one U.S. Dollar, for settlement on the same day, as published on EMTA's web site (www.emta.org) at approximately 11:00 a.m., Lima time, or as soon thereafter as

practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA PEN Indicative Survey Methodology (which means a methodology, dated as of 1 August 2006, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Peruvian Sol/U.S. Dollar markets for the purpose of determining the EMTA PEN Indicative Survey Rate).

(v) "**PEN INTERBANK AVE**" or "**PEN05**" each means that the Spot Rate for a Rate Calculation Date will be the Peruvian Sol/U.S. Dollar average exchange rate in the interbank market expressed as the amount of Peruvian New Soles per one U.S. Dollar for settlement on the same day reported by the Banco Central de Reserva del Peru (www.bcrp.gob.pe) as the "*Tipo de Cambio Interbancario Promedio*" at approximately 2:00 p.m., Lima time, on that Rate Calculation Date.

Venezuelan Bolivar

(i) "**VEF FIX**" or "**VEF01**" each means that the Spot Rate for a Rate Calculation Date will be the midpoint of the Venezuelan Bolivar/U.S. Dollar Tipo de Câmbio De Referencia buying and selling rates, expressed as the amount of Venezuelan Bolivar per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central de Venezuela (www.bcv.org.ve) at approximately 5:00 p.m., Caracas time, on that Rate Calculation Date.

Middle East/Africa

Israeli Shekel

(i) "**ILS BOIJ**" or "**ILS01**" each means that the Spot Rate for a Rate Calculation Date will be the Israeli Shekel/U.S. Dollar fixing rate, expressed as the amount of Israeli Shekels per one U.S. Dollar, for settlement in two Business Days reported by the Bank of Israel which appears on the Reuters Screen BOIJ Page opposite the symbol "USD" and below the caption "REP RATES" at approximately 3:15 p.m., Tel Aviv time, on that Rate Calculation Date.

(ii) "**ILS FXIL**" or "**ILS02**" each means that the Spot Rate for a Rate Calculation Date will be the Israeli Shekel/U.S. Dollar Specified Rate, expressed as the amount of Israeli Shekels per one U.S. Dollar, for settlement in two Business Days which appears on the Reuters Screen FXIL Page at the Specified Time, on that Rate Calculation Date.

Lebanese Pound

(i) "**LBP BDLX**" or "**LBP01**" each means that the Spot Rate for a Rate Calculation Date will be the Lebanese Pound/U.S. Dollar Specified Rate, expressed as the amount of Lebanese Pounds per one U.S. Dollar, for settlement in two Business Days which appears on the Reuters Screen BDLX Page as of 12:00 noon, Beirut time, on that Rate Calculation Date.

Moroccan Dirham

(i) "**MAD OFFICIAL RATE**" or "**MAD01**" each means that the Spot Rate for a Rate Calculation Date will be the Moroccan Dirham/U.S. Dollar Specified Rate, expressed as the amount of Moroccan Dirham per one U.S. Dollar, for settlement in two Business Days reported by the Central Bank of Morocco as of 1:00 p.m., Rabat time, on that Rate Calculation Date.

11 Payments and Talons

(a) Bearer Notes

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 11(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 11(f)(vi)), as the case may be:

(i) In the case of a currency other than euro, Japanese Yen, Renminbi, at the specified office of any Paying Agent outside the United States and Australia by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a bank in the principal financial centre for such currency;

(ii) in the case of euro, at the specified office of any Paying Agent outside the United States and Australia by a cheque payable in euro drawn on, or, at the option of the holder, by transfer to an account denominated in euro, in a city in which banks have access to TARGET;

(iii) in the case of Japanese yen, the transfer shall be to a non-resident Japanese yen account with a bank in Japan (in the case of payment to a non-resident of Japan); and

(iv) in the case of Renminbi, by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong.

(b) Registered Notes

(i) Payments of principal (which for the purposes of this Condition 11(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.

(ii) Interest (which for the purpose of this Condition 11(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof or in case of Registered Notes to be cleared through DTC, on the fifteenth DTC business day before the due date for payment thereof (the "**Record Date**"). For the purpose of this Condition 11(b), "**DTC business day**" means any day on which DTC is open for business. Payments of interest on each Registered Note shall be made:

(A) in the case of a currency other than Renminbi, in the relevant currency by cheque drawn on a bank mailed to the holder (or to the first-named of joint holders) of such Note at its address appearing in the Register, provided that no such cheque will be mailed to an address in Australia. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency specified by the payee with a bank in the principal financial centre for such currency, or in the case of euro, in a city in which banks have access to TARGET and in the case of Japanese yen, the transfer shall be to a non-resident Japanese yen account with a bank in Japan (in the case of payment to a non-resident of Japan); and

(B) in the case of Renminbi, by transfer to the registered account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

(iii) Payments through DTC: Registered Notes, if specified in the relevant Final Terms, will be issued in the form of one or more Global Certificates and may be registered in the name of or in the name of a nominee for, DTC. Payments of principal and interest in respect of Registered Notes denominated in U.S. Dollars will be made in accordance with (i) and (ii) above. Payments of principal and interest in respect of Registered Notes registered in the name of, or in the name of a nominee for, DTC and denominated in a Specified Currency other than U.S. Dollars will be made or procured to be made by the Fiscal Agent in the Specified Currency in accordance with the following provisions. The amounts in such Specified Currency payable by the Fiscal Agent or its agent to DTC with respect to Registered Notes held by DTC or its nominee will be received from the Issuer by the Fiscal Agent who will make payments in such Specified Currency by wire transfer of same day funds to the designated bank account in such Specified

Currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of interest payments, on or prior to the third DTC business day after the Record Date for the relevant payment of interest and, in the case of payments or principal, at least 12 DTC business days prior to the relevant payment date, to receive that payment in such Specified Currency. The Fiscal Agent, after the Exchange Agent has converted amounts in such Specified Currency into U.S. Dollars, will cause the Exchange Agent to deliver such U.S. Dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such Specified Currency. The Agency Agreement sets out the manner in which such conversions are to be made.

(c) Payments in the United States

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. Dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to such Issuer.

(d) Payments subject to fiscal laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in any jurisdiction (whether by operation of law or agreement of the Issuer or its Agents) and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements but without prejudice to the provisions of Condition 12. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) Appointment of Agents

The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents, the Exchange Agent and the Calculation Agent initially appointed by the Issuer and its respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents, the Exchange Agent and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any Paying Agent, the Registrar, any Transfer Agent, the Exchange Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes in Luxembourg, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities, (vi) an Exchange Agent, (vii) such other agents as may be required by the rules of any other stock exchange on which the Notes may be listed and (viii) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. Dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) Unmatured Coupons and Receipts and unexchanged Talons

(i) Upon the due date for redemption of Bearer Notes (other than Floating Rate Notes, Inverse Floating Rate Notes, CMS Linked Notes, Range Accrual Notes, Dual Currency Notes, Index Linked Notes, Equity Linked Notes or FX Linked Notes), they should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 13).

(ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Inverse Floating Rate Note, CMS Linked Note, Range Accrual Note, Dual Currency Note, Index Linked Note, an Equity Linked Note or an FX Linked Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(v) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 13).

(h) Non-Business Days

(i) If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment (nor to any interest or other sum in respect of such payment) until either:

(A) the next following business day; or

(B) the next following business day, unless it would thereby fall into the next calendar month, in which event such date for payment (or for any interest or other sum in respect of such payment) shall be brought forward to the

immediately preceding business day. If, however, due to any reasonably unforeseen circumstances, any such adjusted payment date proves not to be a business day, such that the payment date falls in the next calendar month, the holder shall not be entitled to payment (nor to any interest or other sum in respect of such payment) until the next following business day.

The relevant Final Terms shall specify whether Condition 11(h)(i)(A) or 11(h)(i)(B) is applicable. If neither Condition is specified in the relevant Final Terms, Condition 11(h)(i)(A) shall apply.

(ii) In this Condition 11(h) and Condition 11(i) below, "**business day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "Financial Centres" in the relevant Final Terms and:

(A) (in the case of a payment in a currency other than euro or Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency (which in the case of Australian Dollars shall be Sydney and in the case of New Zealand Dollars shall be Wellington); or

(B) (in the case of a payment in Renminbi) on which commercial banks and foreign exchange markets are open for business and settlement of payments in Renminbi in Hong Kong; or

(C) (in the case of a payment in euro) which is a TARGET Business Day.

(i) Payment of Alternative Currency Equivalent

Where Alternative Currency Equivalent is specified in the relevant Final Terms as being applicable to a Series of Notes, if (following a written request from the Issuer that the Alternative Currency Adjudication Agent makes a determination pursuant to this Condition 11*(i)*), by reason of a Scheduled Payment Currency Disruption Event, it would, in the opinion of the Alternative Currency Adjudication Agent, be commercially impracticable for the Issuer to satisfy any payment obligation in respect of the Notes when due in the Scheduled Payment Currency, then the Issuer may take the actions described in paragraphs (i), (ii), (iii) or (iv) below:

(i) determine that the relevant payment of the Issuer in respect of the Notes be postponed by the number of Business Days (such number, the "**Maximum Days of Postponement**") specified in the relevant Final Terms, after the date on which the relevant Scheduled Payment Currency Disruption Event ceases to exist, in the determination of the Alternative Currency Adjudication Agent or, if that would not be commercially reasonable, as soon as commercially reasonable thereafter, in which case the relevant payment will be due on the date as so postponed, without any interest or other sum payable in respect of the postponement of the payment of such amount;

(ii) determine that the Issuer's obligation to make any payment in respect of the Notes in the Scheduled Payment Currency be replaced by an obligation to make payment of the Alternative Currency Equivalent of such payment, in which case, it will settle any such obligation by payment of the relevant Alternative Currency Equivalent on the due date for payment;

(iii) determine that the relevant payment in respect of the Notes be postponed by the Maximum Days of Postponement after the date on which the relevant Scheduled Payment Currency Disruption Event ceases to exist, or, if, in the determination of the Alternative Currency Adjudication Agent, that would not be commercially reasonable, as soon as commercially reasonable thereafter (such postponed payment date, the "**Postponed Payment Date**"), and that the Issuer's obligation to make payments in respect of the Notes in the Scheduled Payment Currency be replaced by an obligation to make payment of the Alternative Currency Equivalent, in which case, it will settle any such obligation by payment of the relevant

Alternative Currency Equivalent on the Postponed Payment Date, without any interest or other sum payable in respect of the postponement of the payment of such amount; or

(iv) give notice to the Noteholders in accordance with Condition 18 and redeem all, but not some only, of the Notes on a date selected by the Issuer, by payment of the Alternative Currency Equivalent of, or, if so specified in such notice, an amount in the Scheduled Payment Currency equal to, the Early Redemption Amount to each Noteholder in respect of each Note held by such Noteholder.

Any payment made in the Alternative Currency under such circumstances will constitute valid payment, and will not constitute a default in respect of the Notes.

Upon the occurrence of a Scheduled Payment Currency Disruption Event and the Alternative Currency Adjudication Agent making a determination that, by reason of such Scheduled Payment Currency Disruption Event, it would, in the opinion of the Alternative Currency Adjudication Agent, be commercially impracticable for the Issuer to satisfy its payment obligations in respect of the Notes when due in the Scheduled Payment Currency, the Issuer shall give notice as soon as practicable to Noteholders in accordance with Condition 18 stating the occurrence of the Scheduled Payment Currency Disruption Event, giving details thereof and the action proposed to be taken in relation thereto.

In making any determination in respect of any Scheduled Payment Currency Disruption Event, neither the Issuer nor the Alternative Currency Adjudication Agent shall have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number), and, in particular, but without limitation, shall not have regard to the consequences of any such determination for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and no Noteholder shall be entitled to claim from the Issuer, the Alternative Currency Adjudication Agent or any other person any indemnification or payment in respect of any tax consequences of any such determination upon individual Noteholders.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 11(i) by the Issuer or the Alternative Currency Calculation Agent will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agents and all Noteholders.

As used herein:

"**Alternative Currency**" means the currency specified as such hereon (or any lawful successor currency to that currency), or, if no Alternative Currency is specified in the relevant Final Terms, U.S. dollars;

"**Alternative Currency Adjudication Agent**" means the Alternative Currency Adjudication Agent specified in the relevant Final Terms (or any lawful successor thereto);

"**Alternative Currency Calculation Agent**" means the Alternative Currency Calculation Agent specified in the relevant Final Terms (or any lawful successor thereto);

"**Alternative Currency Equivalent**" means, (i) where the Alternative Currency is U.S. dollars, in respect of an amount denominated in the Scheduled Payment Currency, such amount converted into the Alternative Currency using the Spot Rate for the relevant Rate Calculation Date, all as determined by the Alternative Currency Calculation Agent, and (ii) where the Alternative Currency is a currency other than U.S. Dollars, in respect of an amount denominated in the Scheduled Payment Currency, such amount converted into the Alternative Currency by (i) converting such amount into an amount expressed in U.S. Dollars using the Spot Rate for the relevant Rate Calculation Date, and multiplying the resultant U.S. Dollar amount by the USD Spot Rate for the relevant Rate Calculation Date, all as determined by the Alternative Currency Calculation Agent;

"**Governmental Authority**" means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of the Scheduled Payment Currency Jurisdiction;

"**Illiquidity**" means (i) in respect of any payment obligation in respect of the Notes of any sum, foreign exchange markets for the Scheduled Payment Currency becoming illiquid (including, without limitation, the existence of any significant price distortion) or unavailable as a result of which it is impossible or, in the opinion of the Alternative Currency Adjudication Agent, commercially impracticable for the Issuer and/or any of its affiliates to obtain a sufficient amount of the Scheduled Payment Currency in order to satisfy any such obligation or (ii) it becomes impossible or impracticable to obtain a firm quote for exchange of the Scheduled Payment Currency into the Alternative Currency, in each case, as determined by the Alternative Currency Adjudication Agent in its sole and absolute discretion;

"**Inconvertibility**" means, in respect of any payment or obligation in respect of the Notes, the occurrence of any event that makes it impossible, illegal or, in the opinion of the Alternative Currency Adjudication Agent, commercially impracticable for the Issuer and/or any of its affiliates to convert any amount due in respect of the Notes in the foreign exchange markets for the Scheduled Payment Currency (including, without limitation, any event that has the direct or indirect effect of hindering, limiting or restricting convertibility by way of any delays, increased costs or discriminatory rates of exchange or any current or future restrictions on repatriation of one currency into another currency) other than where such impossibility or impracticability is due solely to the failure of the Issuer and/or any of its affiliates to comply with any law, rule or regulation enacted by any relevant Governmental Authority (unless such law, rule or regulation becomes effective on or after the Trade Date and it is impossible or, in the opinion of the Alternative Currency Adjudication Agent, commercially impracticable for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**Non-transferability**" means, in respect of any payment obligation in respect of the Notes, the occurrence of any event that makes it impossible or, in the opinion of the Alternative Currency Adjudication Agent, commercially impracticable for the Issuer and/or any of its affiliates to deliver the Scheduled Payment Currency in relation to any such payment obligation between accounts inside the Scheduled Payment Currency Jurisdiction or between an account inside the Scheduled Payment Currency Jurisdiction and an account outside the Scheduled Payment Currency Jurisdiction, other than where such impossibility or impracticability is due solely to the failure of the Issuer and/or any of its affiliates to comply with any law, rule or regulation enacted by any relevant Governmental Authority (unless such law, rule or regulation becomes effective on or after the Trade Date and it is impossible or, in the opinion of the Alternative Currency Adjudication Agent, commercially impracticable for the Issuer and/or any of its affiliates, due to an event beyond its control, to comply with such law, rule or regulation;

"**Rate Calculation Business Day**" means, unless otherwise specified in the relevant Final Terms, a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in the Rate Calculation Jurisdiction;

"**Rate Calculation Date**" means the day which is the number of Rate Calculation Business Days specified in the relevant Final Terms (which shall be two Rate Calculation Business Days where the Scheduled Payment Currency is Renminbi) before the due date for payment of the relevant amount under the Notes or, unless specified otherwise hereon, if the relevant Spot Rate is not available on such day, the last preceding Rate Calculation Business Day on which the relevant Spot Rate was most recently available, as determined by the Alternative Currency Calculation Agent;

"**Rate Calculation Jurisdiction**" means the jurisdiction(s) specified in the relevant Final Terms, which shall be the Euro-zone where the Scheduled Payment Currency is euro or Hong Kong where the Scheduled Payment Currency is Renminbi;

"**Scheduled Payment Currency**" means, the Specified Currency;

"**Scheduled Payment Currency Disruption Event**" means, in respect of a Scheduled Payment Currency:

(i) Inconvertibility;

(ii) Non-transferability;

(iii) Illiquidity;

(iv) the Issuer and/or any of its affiliates is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Issuer deems necessary to hedge the currency risk of the Issuer issuing and performing its obligations with respect to the Notes or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s); and/or

(v) any other event specified as a Scheduled Payment Currency Disruption Event hereon;

"**Scheduled Payment Currency Jurisdiction**" means (i) other than in the case of euro or Renminbi, the primary jurisdiction for which the Scheduled Payment Currency is the lawful currency, (ii) in the case of euro, the Euro-zone or (iii) in the case of Renminbi, Hong Kong;

"**Settlement Rate Option**" means, unless otherwise specified in the relevant Final Terms, the specified "Settlement Rate Option" as may be included from time to time in Annex A to the 1998 FX and Currency Option Definitions, published by the International Swaps and Derivatives Association, Inc., the Emerging Markets Traders Association and the Foreign Exchange Committee and where (if applicable) for the purposes thereof, "**Specified Time**" shall have the meaning given to it in the applicable Final Terms;

"**Spot Rate**" means, in respect of a Rate Calculation Date, unless otherwise specified in the relevant Final Terms, the spot exchange rate for the purchase of U.S. dollars with the Scheduled Payment Currency determined in accordance with the Settlement Rate Option specified in the relevant Final Terms, provided that if such Spot Rate is not available, then the Alternative Currency Calculation Agent will determine the Spot Rate (or a method for determining the Spot Rate), taking into consideration all available information that it deems relevant;

"**Trade Date**" means each date on which the Issuer concludes an agreement with one or more Dealers for the issue and sale of Notes which, in the case of a syndicated issue, shall be the execution date of the relevant subscription agreement;

"**USD Settlement Rate Option**" means, unless otherwise specified in the relevant Final Terms, any Settlement Rate Option for the exchange of U.S. dollars into the Alternative Currency, as may be included from time to time in Annex A to the 1998 FX and Currency Option Definitions, published by the International Swaps and Derivatives Association, Inc., the Emerging Markets Traders Association and the Foreign Exchange Committee and where (if applicable) for the purposes thereof, "**Specified Time**" shall have the meaning given to it in the applicable Final Terms; and

"**USD Spot Rate**" means, for a Rate Calculation Date, unless otherwise specified in the relevant Final Terms, the spot exchange rate for the purchase of the Alternative Currency with U.S. dollars in accordance with the USD Settlement Rate Option specified in the relevant Final Terms, provided that if such USD Spot Rate is not available, then the Alternative Currency Calculation Agent will determine the USD Spot Rate (or a method for determining the USD Spot Rate), taking into consideration all available information that it deems relevant.

12 Taxation

All payments of principal and interest in respect of the Notes, the Receipts and the Coupons by the Issuer to the Principal Paying Agent shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Netherlands (in the case of Rabobank Nederland, Rabobank Australia Branch and Rabobank Singapore Branch), Australia (in the case of Rabobank Australia Branch) and Singapore (in the case of Rabobank Singapore Branch), or any authority therein or thereof having power to tax, unless such withholding or

deduction is required by law. In that event, the Issuer shall pay such additional amounts (the "**Additional Amounts**") as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Amounts shall be payable with respect to any Note, Receipt or Coupon presented for payment:

(i) in the country of incorporation of the Issuer (or in the case of Rabobank Australia Branch, Australia, or in the case of Rabobank Singapore Branch, Singapore) (each, as the case may be, a "**Relevant Taxing Jurisdiction**");

(ii) in a Relevant Taxing Jurisdiction of the Issuer (wherein and whereof the Issuer is obliged to withhold tax) by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within such Relevant Taxing Jurisdiction in respect of such Note, Receipt or Coupon by reason of, or partly by reason of, such holder having some connection with the Relevant Taxing Jurisdiction of the Issuer other than by reason only of holding such Note or Coupon or the receipt of the relevant payment in respect thereof;

(iii) by or on behalf of a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying, or procuring that any third party complies, with any statutory requirements or by making or procuring that a third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note (or the Certificate representing it), Receipt or Coupon is presented for payment;

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

(v) (except in the case of Registered Notes) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union;

(vi) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such Additional Amounts on presenting the same for payment on the expiry of such period of 30 days;

(vii) if the Issuer and the relevant Dealer or Dealers in respect of any issue as set forth in the relevant Final Terms provide in the relevant Final Terms that the Notes are Domestic Notes for the purpose of this Condition; or

(viii) in relation to Notes issued by Rabobank Australia Branch, if such Additional Amounts are payable by reason of the Noteholder:

(I) being an associate of the Issuer for the purposes of section 128F(6) of the Income Tax Assessment Act 1936 of Australia;

(II) failing to provide its tax file number, Australian business number or proof of a relevant exemption; or

(III) being a resident of Australia or a non-resident of Australia acting through a permanent establishment in Australia and holding bearer Notes other than through a clearing house.

As used in these Conditions, "**Relevant Date**" in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "principal" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Obligatory Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable

pursuant to Condition 7 or any amendment or supplement to it, (ii) ''interest'' shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 6 or any amendment or supplement to it and (iii) ''principal'' and/or ''interest'' shall be deemed to include any Additional Amounts that may be payable under this Condition 12.

13 Prescription

Claims against the Issuer for payment of principal or interest in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within five years from the date on which such payment first becomes due.

14 Events of Default

If any of the following events (each an ''**Event of Default**'') occur, the holder of any Note may by written notice to the Issuer at its specified office declare such Note to be forthwith due and payable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable, unless such Event of Default shall have been remedied prior to the receipt of such notice by the Issuer:

(i) default by the Issuer is made for more than 30 days in the payment of interest or principal in respect of any of the Notes; or

(ii) the Issuer fails to perform or observe any of its other obligations under the Notes and such failure continues for the period of 60 days next following the service on the Issuer of notice requiring the same to be remedied; or

(iii) the Issuer fails in the due repayment of borrowed money which exceeds EUR 35,000,000 or its countervalue and such failure continues for a period of 30 days after notice of such failure has been received by the Issuer or the Issuer fails to honour any guarantee or indemnity in excess of EUR 35,000,000 or its countervalue and such failure continues for a period of 30 days after notice of such failure has been received by the Issuer, provided that in each case no Event of Default shall be deemed to have occurred if the Issuer shall contest its liability in good faith or shall have been ordered not to make such payment by a competent court; or

(iv) the Issuer becomes bankrupt, an administrator is appointed, or an order is made or an effective resolution is passed for the winding-up, liquidation or administration of the Issuer (except for the purposes of a reconstruction or merger the terms of which have previously been approved by a meeting of Noteholders) or an application is filed for a declaration (which is not revoked within a period of 30 days), or a declaration is made, under Article 3:160 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), as modified or re-enacted from time to time, of the Netherlands in respect of Rabobank Nederland, Rabobank Australia Branch or Rabobank Singapore Branch; or

(v) the Issuer compromises with its creditors generally or such measures are officially decreed; or

(vi) the Issuer shall cease to carry on the whole or a substantial part of its business (except for the purposes of a reconstruction or merger the terms of which have previously been approved by a meeting of the Noteholders).

15 Meeting of Noteholders, modifications and substitutions

(a) Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by the Issuer or Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of any of the Notes, any

Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest is shown in the relevant Final Terms, to reduce any such Minimum and/or Maximum Rate of Interest, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount, the Obligatory Redemption Amount or the Optional Redemption Amount including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or any adjournment of such meeting or the majority required to pass the Extraordinary Resolution. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the Noteholders of not less than 90 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

(b) Modification and amendment of Agency Agreement

The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of, or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

The Agency Agreement may be amended by the Issuer and the Fiscal Agent, without the consent of the Registrar or any Paying Agent, Transfer Agent, Exchange Agent, Calculation Agent or holder, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer and the Fiscal Agent may mutually deem necessary or desirable and which does not adversely affect the interests of the holders.

(c) Substitution of the Issuer

(i) The Issuer or any previous substitute of the Issuer under this Condition 15 may, and the Noteholders and the Couponholders hereby irrevocably agree in advance that the Issuer or any previous substitute of the Issuer under this Condition may, at any time, substitute any company (incorporated in any country in the world) controlling, controlled by or under common control with Rabobank Nederland as the principal debtor in respect of the Notes or to undertake its obligations in respect of the Notes through any of its branches (any such company or branch, the "**Substituted Debtor**"), provided that:

(a) such documents shall be executed by the Substituted Debtor and (if the Substituted Debtor is not the Issuer) the Issuer or any previous substitute as aforesaid as may be necessary to give full effect to the substitution (together the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substituted Debtor shall undertake in favour of each Noteholder to be bound by these Conditions and the provisions of the Agency Agreement as fully as if the Substituted Debtor had been named in the Notes and the Agency Agreement as the principal debtor in respect of the Notes in place of the Issuer or any previous substitute as aforesaid;

(b) without prejudice to the generality of sub-paragraph (a) above, where the Substituted Debtor is incorporated, domiciled or resident for taxation purposes in a territory other than the Netherlands (where the Issuer is

Rabobank Nederland acting through its head office), Australia (where the Issuer is Rabobank Australia Branch) or Singapore (where the Issuer is Rabobank Singapore Branch), or is undertaking its obligations with respect to the Notes through a branch in another such territory, the Documents shall contain a covenant and/or such other provisions as may be necessary to ensure that each Noteholder has the benefit of a covenant in terms corresponding to the provisions of Condition 12 above with the substitution for the references to the Netherlands, Australia or Singapore as appropriate (or any previously substituted territory as the case may be) with territories in which the Substituted Debtor is incorporated, domiciled and/or resident for taxation purposes or, where such Issuer is undertaking its obligations with respect to the Notes through a branch, with the addition of references to the territory in which such branch is located;

(c) the Documents shall contain a warranty and representation (1) that the Substituted Debtor and the Issuer (or any previous substitute as aforesaid) have obtained all necessary governmental and regulatory approvals and consents for such substitution and (if the Substituted Debtor is not Rabobank Nederland) for the giving by Rabobank Nederland of the Substitution Guarantee (as defined below) in respect of the obligations of the Substituted Debtor, that the Substituted Debtor has obtained all necessary governmental and regulatory approvals and consents for the performance by the Substituted Debtor of its obligations under the Documents and that all such approvals and consents are in full force and effect and (2) that the obligations assumed by the Substituted Debtor and (if the Substituted Debtor is not Rabobank Nederland) the Substitution Guarantee (as defined below) given by Rabobank Nederland are each valid and binding in accordance with their respective terms and enforceable by each Noteholder and that, in the case of the Issuer undertaking its obligations with respect to the Notes through a branch, the Notes remain the valid and binding obligations of such Issuer;

(d) Condition 14 shall be deemed to be amended so that it shall also be an Event of Default under the said Condition if the Substitution Guarantee (as defined below) shall cease to be valid or binding on or enforceable against Rabobank Nederland; and

(e) a supplemental Base Prospectus produced and (i) submitted to the AFM for approval, and (ii) following such approval be published in accordance with Article 14 of the Prospectus Directive,

and (if the Substituted Debtor is not Rabobank Nederland) upon the Documents becoming valid and binding obligations of the Substituted Debtor, Rabobank Nederland hereby irrevocably and unconditionally guarantees in favour of each Noteholder the payment of all sums payable by the Substituted Debtor as such principal debtor (such guarantee of Rabobank Nederland herein referred to as the "Substitution Guarantee" and being substantially in the form of the Guarantee contained in Schedule 9 of the Agency Agreement, which shall apply *mutatis mutandis* to issues of Notes by the Substituted Debtor).

(ii) Upon the Documents becoming valid and binding obligations of the Substituted Debtor and (if the Substituted Debtor is not the Issuer) the Issuer and subject to notice having been given in accordance with paragraph (iv) below, the Substituted Debtor shall be deemed to be named in the Notes and Coupons as the principal debtor in place of the Issuer as issuer (or of any previous substitute under these provisions) and the Notes and Coupons shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Documents together with the notice referred to in paragraph (iv) below shall, in the case of the substitution of any other company as principal debtor, operate to release the Issuer as issuer (or such previous substitute as aforesaid) from all of its obligations as principal debtor in respect of the Notes and Coupons.

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

(iv) Not later than 15 business days after the execution of the Documents, the Substituted Debtor shall give notice thereof to the Noteholders in accordance with Condition 18.

(v) For the purposes of this Condition 15, the term "**control**" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether by contract or through the ownership, directly or indirectly, of voting shares in such company which, in the aggregate, entitle the holder thereof to elect a majority of its directors, and includes any company in relationship to such first-mentioned company, and for this purpose "**voting shares**" means shares in the capital of a company having under ordinary circumstances the right to elect the directors thereof, and "**controlling**", "**controlled**" and "**under common control**" shall be construed accordingly.

16 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by such Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as such Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

17 Further issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes which have the same terms and conditions as the Notes (except for the Issue Price, the Issue Date and the first Interest Payment Date) and so that the same shall be consolidated and form a single Series with such Notes, and references in these Conditions to "**Notes**" shall be construed accordingly.

18 Notices

Notices to the holders of Registered Notes shall be published in accordance with the procedure set out in this Condition for Bearer Notes and shall be mailed to them at their respective addresses in the Register and shall be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the Financial Times). So long as the Notes are listed on the Luxembourg Stock Exchange, notices to holders of the Notes shall also be published either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) respectively. If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. The Issuer shall also

ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange on which the Notes are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Couponholders and Receiptholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 18.

19 Governing Law and Jurisdiction

(a) Governing law

The Notes, the Receipts, the Coupons and the Talons and all non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, the laws of the Netherlands.

(b) Jurisdiction

The competent courts of Amsterdam, the Netherlands (and, in the case of Rabobank Nederland, also the United States Federal and New York State courts sitting in New York City, the Borough of Manhattan) are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with any Notes, Receipts, Coupons or Talons and, accordingly, any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons ("**Proceedings**") may be brought in such courts. These submissions are made for the benefit of each of the holders of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction.

(c) Service of process

Rabobank Nederland irrevocably appoints its New York branch at 245 Park Avenue, New York, New York 10167 as its agent in New York to receive, for it and on its behalf, service of process in any Proceedings in New York. Such service shall be deemed completed on delivery to the relevant process agent (whether or not it is forwarded to and received by Rabobank Nederland). If for any reason either process agent ceases to be able to act as such or no longer has an address in Utrecht or New York City, Rabobank Nederland irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 18. Nothing shall affect the right to serve process in any manner permitted by law. For the avoidance of doubt, service of process upon Rabobank Nederland at Croeselaan 18, 3521 CB Utrecht, the Netherlands will also constitute service of process upon Rabobank Australia Branch and Rabobank Singapore Branch.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial issue of Notes

Each Tranche of Notes in bearer form will be initially represented by a Global Note, in bearer form without Coupons, which will be deposited on behalf of the subscribers of the relevant Notes as follows:

(a) if the Global Notes are stated in the relevant Final Terms to be issued in CGN form, in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream, Luxembourg, the Global Notes will be deposited with a common depositary (the "**Common Depositary**") for Euroclear and Clearstream, Luxembourg on or prior to the original issue date of the Tranche; or

(b) if the Global Notes are stated in the relevant Final Terms to be issued in CGN form, in the case of a Tranche intended to be cleared through an Alternative Clearing System (as defined in 2.2 below), the Global Notes will be deposited as otherwise agreed between the Issuer and the relevant Dealer, on or about the issue date of the relevant Notes; or

(c) if the Global Notes are stated in the relevant Final Terms to be issued in NGN form, the Global Notes will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper.

In the case of (c) above, or in the case of Global Certificates to be held under the NSS (as the case may be) depositing the Global Notes or the Global Certificates with the Common Safekeeper 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 satisfaction of the Eurosystem eligibility criteria.

No interest will be payable in respect of a temporary Global Note except as provided below. Each Tranche of Notes in registered form will be represented by Certificates and may be represented by a Global Certificate.

Upon deposit of the temporary Global Note(s) (if the Global Note(s) are in CGN form) with the Common Depositary or registration of the Registered Notes (in respect of Global Certificates which are not held under the NSS) in the name of the nominee for Euroclear and/or Clearstream, Luxembourg and delivery of the relevant Global Certificate to the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid and, in the case of Notes held through Euroclear France, the "intermédiaries habilités" (each an "**Approved Intermediary**") who are entitled, directly or indirectly, to hold such Notes according to the records of Euroclear France, will likewise credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

Upon deposit of the temporary Global Note(s) (if the Global Note(s) are in NGN form), the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Upon the initial deposit of a Global Certificate which is not held under the NSS and registration of Registered Notes in the name of a nominee for DTC and delivery of the relevant Global Certificate to a custodian for DTC, DTC will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Any payment due in respect of a Global Note or a Global Certificate will be made to each of Euroclear, Clearstream, Luxembourg, DTC or an Approved Intermediary in respect of the portion of the Global Note or a Global Certificate held for its account. An accountholder with Euroclear, Clearstream, Luxembourg or an Approved Intermediary with an interest in a temporary Global Note will be required, in order to have credited to its account any portion of any payment, to present a certificate in the form set out in the Agency Agreement substantially to the effect that the beneficial owner of the relevant interest in the Global Note is not within the United States or a U.S. person as such terms are defined by the U.S. Internal Revenue Code and the regulations thereunder.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, DTC or Approved Intermediary, or any other clearing system as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg, DTC or such Approved Intermediary or clearing system (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, DTC, Euroclear France or such clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Exchange

1 Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

1.1 if the relevant Final Terms indicate that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see ''General Description of the Programme — Selling Restrictions''), in whole, but not in part, for the Definitive Notes defined and described below; and

1.2 otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Final Terms, for Definitive Notes.

Each temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes in accordance with the Terms and Conditions in addition to any permanent Global Note or Definitive Notes for which it may be exchangeable and, before its Exchange Date, will also be exchangeable in whole or in part for Registered Notes only.

2 Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under ''Partial Exchange of Permanent Global Notes'', in part for Definitive Notes or, in the case of 2.1 below, Registered Notes:

2.1 if the permanent Global Note is an Exchangeable Bearer Note, by the holder giving notice to the Fiscal Agent of its election to exchange the whole or a part of such Global Note for Registered Notes; and

2.2 otherwise, (1) if the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an ''**Alternative Clearing System**'') and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so or (2) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Fiscal Agent of its election for such exchange.

3 Unrestricted Global Certificates

If the Final Terms state that the Unrestricted Notes are to be represented by an Unrestricted Global Certificate on issue, transfers of the holding of such Notes represented by any Unrestricted Global Certificate pursuant to Condition 3(b) may only be made in part:

3.1 if such Notes are held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

3.2 if principal in respect of any Note is not paid when due; or

3.3 with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to 3.1 or 3.2 above, the person entered in the Register as holder of the relevant Registered Notes ("**Registered Holder**") has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

4 Restricted Global Certificates

If the Final Terms state that the Restricted Notes issued by Rabobank Nederland are to be represented by a Restricted Global Certificate on issue, transfers of the holding of Notes represented by that Restricted Global Certificate pursuant to Condition 3(b) may only be made in part:

4.1 if such Notes are held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System (except for DTC) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

4.2 if such Notes are held on behalf of a custodian for DTC and if DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depositary with respect to that Restricted Global Certificate or DTC ceases to be a "clearing agency" registered under the Exchange Act or is at any time no longer eligible to act as such, and the Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or

4.3 if principal in respect of any Note is not paid when due; or

4.4 with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to 4.1 or 4.2 above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer. Individual Certificates issued in exchange for a beneficial interest in a Restricted Global Certificate shall bear the legend applicable to such Notes as set out under "Transfer Restrictions".

5 Partial Exchange of Permanent Global Notes

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions (1) for Registered Notes if the permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes, or (2) for Definitive Notes (i) if principal in respect of any Notes is not paid when due or (ii) if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Final Terms) relating to Partly Paid Notes.

6 Delivery of Notes

If the Global Note is a CGN, on or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be, or if the Global Note is a NGN, the Issuer will procure that details of such exchange be entered *pro rata* in the records of the relevant clearing system. In this Base Prospectus, "**Definitive Notes**" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On

exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

In the event that a Global Note is exchanged for Definitive Notes, such Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

7 Exchange Date

"**Exchange Date**" means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes five days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant clearing system is located.

8 Legend

Each Global Note and any Bearer Note, Talon, Coupon or Receipt issued in compliance with the D Rules under TEFRA will bear the following legend:

"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."

The sections of the U.S. Internal Revenue Code referred to in the legend provide that a United States taxpayer, with certain exceptions, will not be permitted to deduct any loss, and will not be eligible for capital gains treatment with respect to any gain realised on any sale, exchange or redemption of Bearer Notes or any related Coupons.

In the case of Restricted Notes issued by Rabobank Nederland, each Restricted Global Certificate and each Certificate issued in exchange for a beneficial interest in a Restricted Global Certificate will bear a legend applicable to purchasers who purchase the Registered Notes pursuant to Rule 144A as described under "Transfer Restrictions".

Amendment to conditions

The Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Terms and Conditions of the Notes set out in this Base Prospectus. The following is a summary of certain of those provisions as set forth in the Global Notes and, where indicated, the Global Certificates:

9 Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note in CGN form will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes. Conditions 10(e)(viii) and 11(v) will apply to Definitive Notes only. If the Global Note is an NGN or if the Global Certificate is held under the NSS, the Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing system and, in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note or the Global Certificate will be reduced accordingly. Payments under a NGN will be made to its holder. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant

clearing system shall not affect such discharge. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 11(h).

10 Prescription

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of five years from the date on which such payment first becomes due.

11 Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. (All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

12 Cancellation

Cancellation of any Note represented by a permanent Global Note that is required to be cancelled will be effected by reduction in the nominal amount of the relevant permanent Global Note.

13 Purchase

Notes represented by a permanent Global Note may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

14 Issuer's Option

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system or Approved Intermediary in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg, Clearstream Banking AG, Euroclear France or any other clearing system (as the case may be) (with such partial redemption to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion).

15 Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Fiscal Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time, where the permanent Global Note is a CGN, presenting the permanent Global Note to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation. Where the Global Note is an NGN or where the Global Certificate is held under the NSS, the Issuer shall procure that details of such exercise shall be entered *pro rata* in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

16 NGN Nominal Amount

Where the Global Note is an NGN, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, in respect of payments of principal, the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

17 Events of Default

Each Global Note provides that the holder may cause such Global Note, or a portion of it, to become due and repayable in the circumstances described in Condition 14 by stating in the notice to the Fiscal Agent the nominal amount of such Global Note that is becoming due and repayable. If principal in respect of any Note is not paid when due, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against the Issuer under the terms of a Covenant executed by the Issuer and the Fiscal Agent on 9 May 2012 to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes represented by such Global Certificate, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion or Registered Notes, as the case may be. However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

18 Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note. Any such notice shall be deemed to have been given to Noteholders on the day on which it is delivered to the relevant clearing system. In addition, so long as the Notes are listed on Euronext Amsterdam or on the Luxembourg Stock Exchange and the rules of such exchange so require, notices shall also be published in the Euronext Daily Official List and a daily newspaper having general circulation in the Netherlands and/or either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*).

19 Record Date in respect of Registered Notes

Each payment in respect of Registered Notes whilst in global form will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where Clearing System Business Day means Monday to Friday inclusive except 25 December and 1 January.

Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Base Prospectus, but will be contained in the relevant Final Terms and thereby in the Global Notes. While any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a permanent Global Note or for Definitive Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the Issuer may forfeit such Notes (subject to the provisions of the relevant Final Terms and relevant provisions of law) and shall have no further obligation to their holder in respect of them.

USE OF PROCEEDS

The net proceeds from the issues of the Notes will be used by the Issuer in connection with its banking business.

REMITTANCE OF RENMINBI INTO AND OUTSIDE THE PRC

The Renminbi is not a freely convertible currency. The remittance of Renminbi into and outside the PRC is subject to controls imposed under PRC law.

Current Account Items

Under PRC foreign exchange control regulations, current account item payments include payments for imports and exports of goods and services, payments of income and current transfers into and outside the PRC.

Prior to July 2009, all current account items were required to be settled in foreign currencies. Since July 2009, the PRC has commenced a pilot scheme pursuant to which Renminbi may be used for settlement of imports and exports of goods between approved pilot enterprises in five designated cities in the PRC including Shanghai, Guangzhou, Dongguan, Shenzhen and Zhuhai and enterprises in designated offshore jurisdictions including Hong Kong and Macau. On 17 June 2010, the PRC government promulgated the Circular on Issues concerning the Expansion of the Scope of the Pilot Program of Renminbi Settlement of Cross-Border Trades (Yin Fa (2010) No. 186) (the "**Circular**"), pursuant to which (i) Renminbi settlement of imports and exports of goods and of services and other current account items became permissible, (ii) the list of designated pilot districts was expanded to cover 20 provinces and cities including Beijing, and (iii) the restriction on designated offshore districts was lifted. Accordingly, any enterprises in the designated pilot districts and offshore enterprises are entitled to use Renminbi to settle any current account items between them (except in the case of payments for exports of goods from the PRC, such Renminbi remittance may only been effected by approved pilot enterprises in designated pilot districts in the PRC). In August 2011, the PRC government further expanded Renminbi cross-border trade settlement across the PRC.

As a new regulation, the Circular will be subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices in applying the Circular and impose conditions for settlement of current account items.

Capital Account Items

Under PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments are generally subject to approval of the relevant PRC authorities.

Settlements for capital account items are generally required to be made in currencies other than Renminbi. For example, foreign investors (including any Hong Kong investors) are required to make any capital contribution to foreign invested enterprises in a foreign currency in accordance with the terms set out in the relevant joint venture contract and/or articles of association as approved by the relevant authorities. Foreign invested enterprises or the relevant PRC parties are also generally required to make capital item payments, including payment of (i) proceeds arising from liquidations, transfers of shares and reductions of capital and (ii) interest and principal repayments to foreign investors in a foreign currency. However, the relevant PRC authorities may allow a foreign entity to make a capital contribution or a shareholder's loan to a foreign invested enterprise with Renminbi lawfully obtained by it outside the PRC and for such foreign invested enterprise to make related interest payments and principal repayment to its foreign investor outside the PRC in Renminbi on a trial basis. Such foreign invested enterprise may be required to complete registration and verification process with the relevant PRC authorities before such Renminbi remittances are authorised.

On 7 April 2011, the State Administration of Foreign Exchange ("**SAFE**") published the Circular on Issues Concerning the Capital Account Items in Connection with Cross-border Renminbi (the "**SAFE Circular**"), which became effective on 1 May 2011. According to the SAFE Circular, in the event that foreign investors intend to use cross-border Renminbi (including offshore Renminbi and onshore Renminbi held in the capital accounts of non-PRC residents) to contribute towards an onshore enterprise or to make payment for the purchase of any equity interest in an onshore enterprise from a PRC resident, such onshore enterprise shall be required to (i) submit the prior written consent obtained from the relevant Ministry of Commerce ("**MOFCOM**") to the relevant local branches of SAFE that oversee such onshore enterprise and (ii) register for foreign invested enterprise status. Furthermore, the SAFE Circular states that any foreign debts borrowed, and any external guarantees provided, by an onshore entity (including a

financial institution) denominated in RMB shall, in principle, be regulated under the current PRC foreign debt and external guarantee regime.

On 12 October 2011, MOFCOM published the Circular on Issues in Relation to Cross-border RMB Foreign Direct Investment (the "**MOFCOM RMB FDI Circular**"). In accordance with the MOFCOM RMB FDI Circular, MOFCOM and its local counterparts are authorised to approve RMB foreign direct investment ("**FDI**") in accordance with existing PRC laws and regulations regarding foreign investment, with certain exceptions which require the preliminary approval of the applicable local counterpart of MOFCOM and the consent of MOFCOM: (i) RMB FDI with the capital contribution in Renminbi of RMB300 million or more; (ii) RMB FDI in financing guarantee, financing lease, micro financing or auction industries; (iii) RMB FDI in foreign invested investment companies, venture capital or equity investment enterprises; or (iv) RMB FDI in cement, iron & steel, electrolytic aluminium, shipbuilding or other policy sensitive sectors. In addition, RMB FDI in real estate sector is allowed following the existing rules and regulations of foreign investment in real estate, although Renminbi foreign debt remains unavailable to foreign invested real estate enterprises. The MOFCOM RMB FDI Circular also states that the proceeds of RMB FDI may not be used for investment in securities, financial derivatives or entrustment loans in the PRC, except for investments in PRC domestic listed companies through private placements or share transfers by agreement under the PRC strategic investment regime.

On 13 October 2011, PBOC published the Measures on Administration of RMB Settlement in Relation to Foreign Direct Investment (the "**PBOC RMB FDI Measures**"), pursuant to which special approval for RMB FDI and shareholder loans which was previously required by PBOC is no longer necessary. In some cases however, post-event filing with PBOC is still necessary.

Among others things, the PBOC RMB FDI Measures provide that (i) foreign invested enterprises are required to register with the local branch of PBOC within ten working days of obtaining the relevant business licences for the purpose of Renminbi settlement, (ii) a foreign investor is allowed to open a Renminbi expense account to reimburse certain expenses before the establishment of a foreign invested enterprise, and the balance in such an account can be transferred to the Renminbi capital account of such foreign invested enterprise when it is established, (iii) commercial banks can remit a foreign investor's Renminbi proceeds from any distributions (in the form of dividends or otherwise) by its PRC subsidiaries out of the PRC after reviewing certain requisite documents, (iv) if a foreign investor intends to use its Renminbi proceeds from any distributions (in the form of dividends or otherwise) by its PRC subsidiaries, such foreign investor may open a Renminbi re-investment account to pool the Renminbi proceeds and (v) PRC parties selling stakes in domestic enterprises to foreign investors can open Renminbi accounts and receive the purchase price in Renminbi paid by such foreign investors.

The PBOC RMB FDI Measures also state that the foreign debt quota of a foreign invested enterprise constitutes its Renminbi debt and foreign currency debt owed to its offshore shareholders, offshore affiliates and offshore financial institutions, and that a foreign invested enterprise may open a Renminbi account to receive Renminbi proceeds borrowed offshore by submitting the applicable Renminbi loan contract to the relevant commercial bank and make repayments of principal of and interest on such debt in Renminbi by submitting certain documents as required to the such commercial bank.

As new regulations, the SAFE Circular, the MOFCOM RMB FDI Circular and the PBOC RMB FDI Measures will be subject to interpretation and application by the relevant PRC authorities. Furthermore, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules.

CLEARING AND SETTLEMENT

Bearer Notes

The Issuer may make applications in respect of Notes in CGN form to Clearstream, Luxembourg and/or Euroclear for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. In respect of Bearer Notes in CGN form, a temporary Global Note and/or a permanent Global Note in bearer form without coupons may be deposited with a Common Depositary for Clearstream, Luxembourg and/or Euroclear or an Alternative Clearing System as agreed between the Issuer and Dealer. Transfers of interests in such temporary Global Notes in CGN form or permanent Global Notes in CGN form will be made in accordance with the normal Euromarket debt securities operating procedures of Clearstream, Luxembourg and Euroclear or, if appropriate, the Alternative Clearing System. The Issuer may make applications in respect of Notes in NGN form, to the Common Safekeeper for acceptance in its book-entry systems in respect of any Series of Bearer Notes. In respect of Bearer Notes in NGN form, a temporary Global Note and/or a permanent Global Note in bearer form without coupons will be deposited with the Common Safekeeper. Transfers of interests in such temporary Global Notes in NGN form, or permanent Global Notes in NGN form will be made in accordance with the normal operating procedures of the Common Safekeeper. Each Global Note deposited with the Common Safekeeper or with a Common Depositary on behalf of Euroclear and Clearstream, Luxembourg will have an ISIN and a Common Code.

Registered Notes

The Issuer may make applications to Clearstream, Luxembourg and/or Euroclear for acceptance in their respective book-entry systems in respect of the Notes to be represented by an Unrestricted Global Certificate or (in the case of Restricted Notes issued by Rabobank Nederland) a Restricted Global Certificate. Each Unrestricted Global Certificate or (in the case of Restricted Notes issued by Rabobank Nederland) Restricted Global Certificate deposited with (i) (in respect of Registered Notes which are not held under the NSS) a Common Depositary on behalf of, or (ii) (in respect of Registered Notes which are held under the NSS) a Common Safekeeper on behalf of, Clearstream, Luxembourg and/or Euroclear will have an ISIN and a Common Code.

Rabobank Nederland and a relevant U.S. agent appointed for such purpose that is an eligible DTC participant may make application to DTC for acceptance in its book-entry settlement system of the Registered Notes issued by Rabobank Nederland represented by a Restricted Global Certificate. Each such Restricted Global Certificate will have a CUSIP number. Each Restricted Global Certificate will be subject to restrictions on transfer contained in a legend appearing on the front of such Global Certificate, as set out under ''Transfer Restrictions''. In certain circumstances, as described below in ''Transfers of Registered Notes'', transfers of interests in a Restricted Global Certificate may be made as a result of which such legend may no longer be required.

In the case of a Tranche of Registered Notes to be cleared through the facilities of DTC, the custodian, with whom the Restricted Global Certificates are deposited, and DTC will electronically record the nominal amount of the Restricted Notes held within the DTC system. Investors in Notes of such Tranche may hold their beneficial interests in an Unrestricted Global Certificate only through Clearstream, Luxembourg or Euroclear. Investors may hold their beneficial interests in a Restricted Global Certificate directly through DTC if they are participants in the DTC system, or indirectly through organisations which are participants in such system.

Payments of the principal of, and interest on, each Restricted Global Certificate registered in the name of DTC's nominee will be to or to the order of its nominee as the registered owner of such Restricted Global Certificate. Rabobank Nederland expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount of the relevant Restricted Global Certificate as shown on the records of DTC or the nominee. Rabobank Nederland also expects that payments by DTC participants to owners of beneficial interests in such Restricted Global Certificate held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants. None of Rabobank Nederland, any Paying

Agent or any Transfer Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the Restricted Global Certificates or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Notes will initially be in the form of an Unrestricted Global Certificate and/or (in the case of Restricted Notes issued by Rabobank Nederland) a Restricted Global Certificate. Individual Certificates will only be available, in the case of Notes initially represented by an Unrestricted Global Certificate, in amounts specified in the relevant Final Terms, and, in the case of Notes initially represented by a Restricted Global Certificate, in amounts of U.S.$100,000 (or its equivalent rounded upwards as agreed between the Issuer and the relevant Dealer(s)), or higher integral multiples of U.S.$1,000, in certain limited circumstances described below.

Transfers of Registered Notes

Transfers of interests in Global Certificates within DTC, Clearstream, Luxembourg and Euroclear will be in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Restricted Global Certificate to such persons may be limited. Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Restricted Global Certificate to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Beneficial interests in an Unrestricted Global Certificate may only be held through Clearstream, Luxembourg or Euroclear. In the case of Registered Notes to be cleared through Euroclear, Clearstream, Luxembourg and/or DTC, transfers may be made at any time by a holder of an interest in an Unrestricted Global Certificate to a transferee who wishes to take delivery of such interest through the Restricted Global Certificate for the same Series of Notes provided that any such transfer made on or prior to the expiration of the distribution compliance period (as used in ''Plan of Distribution'') relating to the Notes represented by such Unrestricted Global Certificate will only be made upon receipt by the Registrar or any Transfer Agent of a written certificate from Euroclear or Clearstream, Luxembourg, as the case may be (based on a written certificate from the transferor of such interest), to the effect that such transfer is being made to a person whom the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities law of any state of the United States or any other jurisdiction. Any such transfer made thereafter of the Notes represented by such Unrestricted Global Certificate will only be made upon request through Clearstream, Luxembourg or Euroclear by the holder of an interest in the Unrestricted Global Certificate to the Fiscal Agent of details of that account at either Euroclear or Clearstream, Luxembourg or DTC to be credited with the relevant interest in the Restricted Global Certificate. Transfers at any time by a holder of any interest in the Restricted Global Certificate to a transferee who takes delivery of such interest through an Unrestricted Global Certificate will only be made upon delivery to the Registrar or any Transfer Agent of a certificate setting forth compliance with the provisions of Regulation S and giving details of the account at Euroclear or Clearstream, Luxembourg, as the case may be, and/or DTC to be credited and debited, respectively, with an interest in the relevant Global Certificates.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described above and under ''Transfer Restrictions'', cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the custodian, the Registrar and the Fiscal Agent.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream, Luxembourg and/or Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream, Luxembourg or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream,

Luxembourg and Euroclear, on the other, transfers of interests in the relevant Global Certificates will be effected through the Fiscal Agent, the custodian and the Registrar receiving instructions (and where appropriate certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Global Certificate resulting in such transfer and (ii) two business days after receipt by the Fiscal Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of Registered Notes, see ''Transfer Restrictions''.

DTC has advised Rabobank Nederland that it will take any action permitted to be taken by a holder of Registered Notes (including, without limitation, the presentation of Restricted Global Certificates for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Restricted Global Certificates are credited and only in respect of such portion of the aggregate nominal amount of the relevant Restricted Global Certificates as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant Restricted Global Certificates for exchange for individual Certificates (which will, in the case of Restricted Notes, bear the legend applicable to transfers pursuant to Rule 144A).

DTC has advised Rabobank Nederland as follows: DTC is a limited purpose trust company organised under the laws of the State of New York, a ''banking organisation'' under the laws of the State of New York, a member of the U.S. Federal Reserve System, a ''**clearing corporation**'' within the meaning of the New York Uniform Commercial Code and a ''clearing agency'' registered pursuant to the provisions of section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic computerised book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to DTC is available to others, such as banks, securities brokers, dealers and trust companies, that clear through or maintain a custodial relationship with a DTC direct participant, either directly or indirectly.

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Certificates among participants and accountholders of DTC, Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Issuer nor any Paying Agent nor any Transfer Agent will have any responsibility for the performance by DTC, Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

While a Restricted Global Certificate is lodged with DTC or the custodian, Restricted Notes represented by individual Certificates will not be eligible for clearing or settlement through DTC, Clearstream, Luxembourg or Euroclear.

Individual Certificates

Registration of title to Registered Notes in a name other than a depositary or its nominee for Clearstream, Luxembourg and Euroclear or for DTC will be permitted only (i) in the case of Restricted Global Certificates in the circumstances set forth in ''Summary of Provisions Relating to the Notes while in Global Form — Exchange — Restricted Global Certificates'' or (ii) in the case of Unrestricted Global Certificates in the circumstances set forth in ''Summary of Provisions Relating to the Notes while in Global Form — Exchange — Unrestricted Global Certificates''. In such circumstances, the Issuer will cause sufficient individual Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Noteholder(s). A person having an interest in a Global Certificate must provide the Registrar with:

(i) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual Certificates; and

(ii) in the case of a Restricted Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Individual Certificates issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

Pre-issue trades settlement

It is expected that delivery of Notes will be made against payment therefor on the relevant Issue Date, which could be more than three business days following the date of pricing. Under Rule 15c6-1 of the SEC under the Exchange Act, trades in the United States secondary market generally are required to settle within three business days (T+3), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Registered Notes in the United States on the date of pricing or the next succeeding business days until the relevant Issue Date will be required, by virtue of the fact that the Notes initially will settle beyond T+3, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Notes may be affected by such local settlement practices and purchasers of Notes who wish to trade Notes between the date of pricing and the relevant Issue Date should consult their own adviser.

General

For a listing on Euronext Amsterdam, Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. or its legal successor will be involved in clearing and settlement.

DESCRIPTION OF BUSINESS OF RABOBANK GROUP

General

Rabobank Group is an international financial service provider operating on the basis of cooperative principles. At 31 December 2011, it comprised 139 independent local Rabobanks and their central organisation Rabobank Nederland and its subsidiaries. Rabobank Group operates in 47 countries. Its operations include domestic retail banking, wholesale banking and international retail banking, asset management, leasing and real estate. It serves approximately 10 million clients around the world. In the Netherlands, its focus is on all-finance services and, internationally, on food and agri. Rabobank Group entities have strong inter-relationships due to Rabobank's cooperative structure.

Rabobank's stability and creditworthiness is reflected in the ratings awarded by several rating agencies (Standard & Poor's, Moody's, Fitch and DBRS). In terms of Tier 1 capital, Rabobank Group is among the world's 30 largest financial institutions (source: *The Banker*).

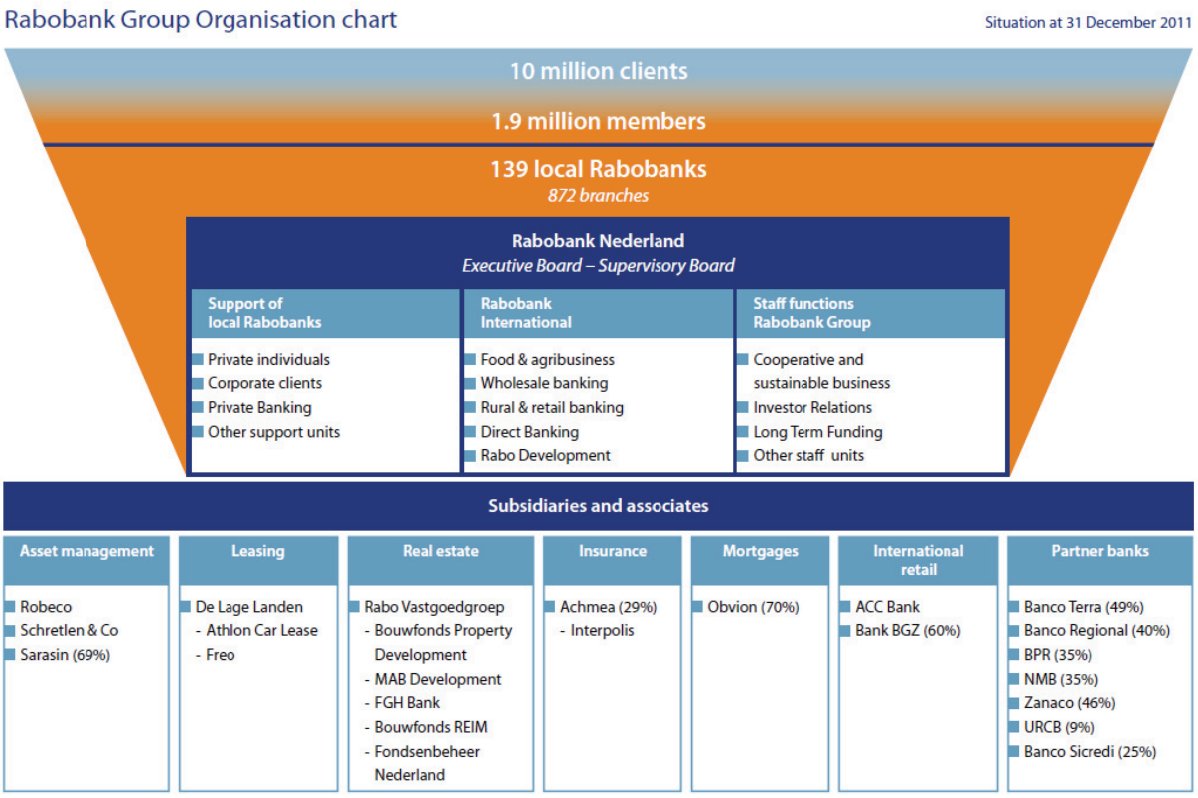
Rabobank Group's cooperative core business comprises independent local Rabobanks. Clients can become members of their local Rabobank. In turn, the local Rabobanks are members of Rabobank Nederland, the supralocal cooperative organisation that advises and supports the banks in their local services. Rabobank Nederland also supervises the operations, sourcing, solvency and liquidity of the local Rabobanks. With 872 branches and 2,949 cash-dispensing machines at 31 December 2011, the local Rabobanks form a dense banking network in the Netherlands. In the Netherlands, the local Rabobanks serve approximately 6.8 million retail clients, and approximately 0.8 million corporate clients, offering a comprehensive package of financial services.

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) is the holding company of a number of specialised subsidiaries in the Netherlands and abroad. Rabobank International is Rabobank Group's wholesale bank and international retail bank.

Historically, Rabobank Group has engaged primarily in lending to the agricultural and horticultural sectors in the Dutch market. Since the 1990s, Rabobank Group has also offered a wide variety of commercial banking and other financial services not only in the Netherlands but also internationally. As part of an ongoing programme, Rabobank Group has increased both the number and type of products and services available to its customers in order to diversify from a traditional savings and mortgage-based business to become a provider of a full range of financial products and services, both in the Netherlands and internationally. To this end, Rabobank Group pursues an all-finance concept, meaning that it provides an integrated range of financial services comprising primarily domestic retail banking, wholesale banking and international retail banking, asset management, leasing, real estate and distribution of insurance products to a wide range of both individual and corporate customers. As part of this all-finance strategy, Rabobank Group focuses on operations that produce fee-based income in addition to its traditional interest-based income sources.

At 31 December 2011, Rabobank Group had total assets of €731.7 billion, a private sector loan portfolio of €448.3 billion, amounts due to customers of €329.9 billion, savings deposits of €140.0 billion and equity of €45.0 billion. Of the private sector loan portfolio, €212.3 billion, virtually all of which are mortgages, consists of loans to private individuals, €147.9 billion of loans to the trade, industry and services sector and €88.2 billion of loans to the food and agri sector. At 31 December 2011, its Tier 1 ratio, which is the ratio between Tier 1 capital and total risk-weighted assets, was 17.0 per cent. and its core Tier 1 ratio which is the ratio between core Tier 1 capital and total risk-weighted assets, was 12.7 per cent. For the year ended 31 December 2011, Rabobank Group's efficiency ratio, which is the ratio between total operating expenses and total income, was 65.2 per cent., and the return on equity, or net profit expressed as a percentage of Tier 1 capital, was 7.6 per cent. For the year ended 31 December 2011, Rabobank Group realised a net profit of €2,627 million and a risk-adjusted return on capital ("**RAROC**") of 11.8 per cent. after tax. At 31 December 2011, Rabobank Group had 59,670 full-time employees. For the year ended 31 December 2011, the rate of absenteeism was 3.9 per cent. and Rabobank's employee satisfaction score was 86 per cent.

Rabobank Group



Business activities of Rabobank Group

Through Rabobank Nederland, the local Rabobanks and its subsidiaries, Rabobank Group provides services in the following five core business areas: domestic retail banking, wholesale banking and international retail banking, asset management, leasing and real estate.

Domestic retail banking

The domestic retail banking business comprises the local Rabobanks, Obvion N.V. ("**Obvion**") and Rabohypotheekbank N.V. ("**Rabohypotheekbank**"). In the Netherlands, Rabobank is a large mortgage bank, savings bank and insurance agent. Based on internal estimates, the Group believes it is also the leading bank for the small and medium-sized enterprises sector in the Netherlands. Obvion focuses exclusively on collaboration with independent brokers.

At 31 December 2011, Rabobank Group's domestic retail banking operations had total assets of €373.0 billion, a private sector loan portfolio of €295.8 billion, amounts due to customers of €200.1 billion and savings deposits of €116.8 billion. For the year ended 31 December 2011, Rabobank Group's domestic retail banking operations accounted for 52 per cent., or €6,941 million, of Rabobank Group's total income and 71 per cent., or €1,853 million, of Rabobank Group's net profit. At 31 December 2011, Rabobank Group's domestic retail banking operations employed approximately 27,300 full-time employees.

Local Rabobanks

The 139 (at 31 December 2011) local Rabobanks are independent cooperative entities, each with their own operating areas. With 872 branches and 2,949 cash dispensing machines at 31 December 2011, they together comprise one of the leading local banks in the Netherlands with a dense branch network. Proximity and commitment to their clients enhances the local Rabobanks' responsiveness and speed of decision-making. Their commitment is reflected in their close ties with local associations and institutions. The local Rabobanks are committed to providing maximum service to their clients by making optimum use of different distribution channels, such as branch offices, the internet and mobile telephones. Together, the local Rabobanks serve approximately 6.8 million private clients and approximately 0.8 million corporate clients in the Netherlands with a comprehensive package of financial services. Many private individuals have

current, savings and/or investment accounts and/or mortgages with the local Rabobanks. The local Rabobanks constitute a major financier of Dutch industry, from small high street shops to listed enterprises. Furthermore, the local Rabobanks traditionally have had close ties with the agricultural sector and together, they are the largest insurance broker in the Netherlands (source: Insurance Magazine Yearbook 2011 (*AM Jaarboek 2011*)).

Obvion N.V.

Obvion is a joint venture of Rabobank Group and APG (a pension assets manager). It is a provider of mortgages and a number of service products, including guarantees and bridging loans. Obvion focuses exclusively on collaboration with independent brokers.

Rabohypotheekbank

Rabohypotheekbank, with its statutory seat in Amsterdam, the Netherlands, provides mortgage-lending documentation services to all of the local Rabobanks and is owned 100 per cent. by Rabobank Nederland.

Rabohypotheekbank also serves as a supplementary financing vehicle for the local Rabobanks in the event that they choose not to make certain mortgage loans to their customers entirely on their own, either for liquidity or lending-limit reasons or because of the nature of the required financing. The majority of Rabohypotheekbank's loans are secured by mortgages on residential property. Its loans are funded by term loans from, or guaranteed by, Rabobank Nederland and by the issuance of mortgage bonds. Rabohypotheekbank does not engage in the financing of real estate development. At 31 December 2011, Rabohypotheekbank had assets of €7.0 billion.

Wholesale banking and international retail banking

Rabobank International

Rabobank International, which is the wholesale banking business and international retail banking business, focuses its activities on the food and agri sector. Rabobank International is a division of Rabobank Nederland and has a presence in 30 countries. Its activities are subdivided into the following regions: the Netherlands, Europe outside the Netherlands, North and South America, Australia and New Zealand and Asia. Across these regions, Rabobank International has created a number of units with global operations: Global Financial Markets, Global Client Solutions, Acquisition Finance, Renewable Energy & Infrastructure Finance, Direct Banking and Trade & Commodity Finance. For optimum service to their clients and markets, the various regions and the units with global operations work closely together. In addition to customer-focused activities, Global Financial Markets manages the trade in money market products for the day-to-day management of the liquidity position, the credit risk and the market risk of Rabobank Group and its clients. Acquisition Finance is involved in financing acquisitions by private equity companies and has a significant market share in the agricultural market. Global Client Solutions offers client-tailored products aimed at both the asset and liability sides of the balance sheet. The Renewable Energy & Infrastructure Finance department operates in the sustainable sectors wind, solar, bio fuels and biomass. The Trade & Commodity Finance department serves clients that operate in the market for agricultural products and, on a limited scale, other commodities as well. This department also offers a large number of export finance products. Direct Banking services clients with saving products in Belgium, Australia, Ireland, New Zealand and Poland.

Rabobank's retail activities are performed under the Rabobank label, with the exception of the Irish ACCBank, which is a wholly owned subsidiary, and the Polish Bank BGZ, in which Rabobank International has a 60 per cent. stake.

Over the last few years, Rabobank International has strengthened its position in retail banking. In 2010 Rabobank acquired Napa Community Bank as well as specific assets and liabilities of Butte Community Bank and Pacific State Bank in California.

In addition, Rabobank International has interests in private equity. Under the Rabo Capital label, Rabobank Group's investment unit, Rabo Private Equity, focuses on medium-sized Dutch enterprises. Its Rabo Ventures label focuses on new enterprises in the clean technology sector. Rabobank also participates in independent private equity enterprises such as Langholm and a number of Gilde funds.

At 31 December 2011, Rabobank Group's wholesale banking and international retail banking operations had total assets of €514.6 billion and a private sector loan portfolio of €106.6 billion.

For the year ended 31 December 2011, Rabobank Group's wholesale banking and international retail banking operations accounted for 28 per cent., or €3,750 million, of Rabobank Group's total income and 30 per cent., or €781 million, of Rabobank Group's net profit. At 31 December 2011, Rabobank Group's wholesale banking and international retail banking operations had approximately 15,700 full-time employees.

Asset management

Rabobank Group's asset management business is handled by Robeco Group N.V. ("**Robeco**"), an asset manager with global operations, as well as by the Swiss private bank, Bank Sarasin & Cie S.A. ("**Sarasin**") and by Schretlen & Co N.V. ("**Schretlen & Co**"), a Dutch private bank. In 2011 Rabobank sold its equity interest in Sarasin and the closing is expected to take place in 2012.

At 31 December 2011, the assets under management and held in custody for clients of Rabobank Group's asset management operations amounted €263.6 billion. For the year ended 31 December 2011, Rabobank Group's asset management operations accounted for 9 per cent., or €1,144 million, of Rabobank Group's total income and 2 per cent., or €62 million, of Rabobank Group's net profit. At 31 December 2011, Rabobank Group's asset management operations had approximately 3,100 full-time employees.

Robeco Groep N.V.

Robeco was founded in Rotterdam in 1929. It provides investment products and services to both institutional and private clients around the world. Services to private individuals are provided both through banks and other distribution partners, and through direct channels. Robeco's product range includes equity and fixed-income investments and money market funds and alternative investments funds. In addition to its offices in the Netherlands, Robeco has branches in Europe, the United States, Asia and the Middle East.

Rabobank Nederland owns a 100 per cent. equity interest in Robeco. Robeco has its statutory seat in Rotterdam. Its issued and fully paid-up share capital amounted to €4,537,803 (4,537,803 shares with a nominal value of €1 each) at 31 December 2011.

For the year ended 31 December 2011, Robeco's net profit was €134 million, corresponding to a profit of €29.49 per share. At 31 December 2011, Rabobank Nederland's liabilities to Robeco amounted to €814 million (bonds), €880 million (current accounts), €2 million (loans and deposits) and €10 million (derivatives). At 31 December 2011 Rabobank Nederland's claims on Robeco amounted to €253 million (loans), €86 million (current accounts), €3 million (professional securities transactions) and €156 million (derivatives).

At 31 December 2011, Robeco managed €150.3 billion in assets.

Bank Sarasin & Cie S.A.

Founded in 1841, the Sarasin Group is one of Switzerland's leading private banks. Sarasin's shares are listed at the Swiss stock exchange SWX. The Sarasin Group prioritises sustainability. The Sarasin Group offers a high level of services and expertise as an investment advisor and asset manager for high net-worth private individuals and institutional clients. Internationally, the Sarasin Group operates in 15 countries in Europe, the Middle East and Asia. Rabobank clients have access to Sarasin's investment funds though the local Rabobanks. In 2011 Rabobank sold its equity interest in Sarasin and the closing is expected to take place in 2012.

At 31 December 2011, Sarasin managed €79.3 billion in assets.

Schretlen & Co N.V.

Schretlen & Co is the asset management specialist within Rabobank Group. The business is focused primarily on high net-worth individuals and medium-sized institutional investors in the Netherlands. Its core activities comprise asset management and advice, combined with estate planning. In addition to its head office in Amsterdam, Schretlen & Co has branches in Apeldoorn, Heerenveen, Rotterdam and Waalre. Rabobank Nederland owns a 100 per cent. equity interest in Schretlen & Co.

At 31 December 2011, Schretlen & Co managed €8.4 billion in assets.

Leasing, De Lage Landen International B.V.

De Lage Landen International B.V. ("**De Lage Landen**") is the subsidiary responsible for Rabobank Group's leasing business. It uses vendor finance to assist producers and distributors in their sales in 35 countries. With its innovative finance programmes, De Lage Landen stands out in a competitive market. In the Netherlands, it offers a broad range of lease and trade finance products, which it markets both directly and through the local Rabobanks. Through international car lease company Athlon Car Lease, De Lage Landen operates in nine countries in Europe. In the Netherlands, De Lage Landen strengthens Rabobank Group's position in the Dutch consumer credit market, in part through the Freo online brand.

Rabobank Nederland owns a 100 per cent. equity interest in De Lage Landen. De Lage Landen has its statutory seat in Eindhoven, the Netherlands. Its issued share capital amounts to €98,470,307 all of which is owned by Rabobank Nederland. At 31 December 2011, Rabobank Nederland's liabilities to De Lage Landen amounted to €1,462 million. At 31 December 2011 Rabobank Nederland's claims on De Lage Landen amounted to €24,332 million (loans, current accounts, financial assets and derivatives). All liabilities of De Lage Landen are guaranteed (through the cross guarantee system) by Rabobank Nederland and the other participants of this system.

At 31 December 2011, De Lage Landen had a loan portfolio of €28.1 billion. For the year ended 31 December 2011, De Lage Landen accounted for 10 per cent., or €1,319 million, of Rabobank Group's total income and 12 per cent., or €304 million, of Rabobank Group's net profit. At 31 December 2011 Rabobank Group's leasing operations employed approximately 5,000 full-time employees.

Real estate, Rabo Vastgoedgroep N.V.

Rabo Real Estate Group (Rabo Vastgoedgroep N.V. ("**Rabo Vastgoedgroep**")) is a prominent real estate enterprise. It operates in the private and corporate markets and has three core activities: residential and commercial real estate development, real estate finance and serving real estate investors. Bouwfonds Property Development is responsible for residential development and MAB Development for the development of commercial real estate. Financing commercial real estate is done by FGH Bank. Bouwfonds REIM is responsible for real estate related investments. In addition to these three core activities, Rabo Real Estate Group contributes to social real estate development and financing through Fondsenbeheer Nederland.

For the year ended 31 December 2011, the Rabo Real Estate Group sold 8,206 houses. At 31 December 2011 Rabo Real Estate Group managed €7.2 billion of real estate assets and its loan portfolio amounted to €19.0 billion. For the year ended 31 December 2011, the real estate operations accounted for 4 per cent., or €530 million, of Rabobank Group's total income and 2 per cent., or €40 million, of Rabobank Group's net profit. At 31 December 2011, Rabobank Group's real estate operations had approximately 1,600 full-time employees.

Participations

Achmea B.V.

Rabobank has a 29 per cent. interest in Achmea B.V. ("**Achmea**"), formerly called Eureko. Rabobank does not exercise control over Achmea and therefore does not consolidate Achmea as a subsidiary in Rabobank's financial statements. Achmea is accounted for as an associate in Rabobank's financial statements in accordance with the equity method. At 31 December 2011 Achmea had a workforce of approximately 20,900 full-time equivalents and Achmea is the market leader in the area of insurance in the Netherlands (source: Achmea Annual Report 2011), where it serves a broad customer base of private individuals as well as government agencies and corporate clients. Achmea occupies a relatively minor position outside the Netherlands, operating in seven other European countries. Rabobank and Achmea work closely together in the area of insurance. Achmea operates in the Dutch domestic market with brands including Centraal Beheer Achmea, Interpolis, Avéro Achmea, FBTO, Agis Zorgverzekeringen and Zilveren Kruis Achmea. Interpolis is the prime supplier of insurance products to clients of the local Rabobanks, offering a broad range of non-life, health and life insurance policies for both private individuals and enterprises. Serving over a million private individuals and several hundreds of thousands of enterprises, Interpolis is one of the major players in the Dutch insurance market and in the agricultural sector.

Recent developments

Sarasin sold to Safra

Rabobank sold its equity interest in Swiss-based private bank Sarasin to Safra Group for €844 million in 2011. The sale of Sarasin, which serves private clients outside the Netherlands, will allow Rabobank to sharpen its focus on its strategic core business, i.e. broad market leadership in the Netherlands and worldwide growth in the area of food and agri. This transaction is currently still subject to regulatory approval.

Rabobank acquires full ownership of Obvion

On 26 March 2012 Rabobank announced its intention to acquire the remaining shares in Obvion N.V. (''**Obvion**'') from the other shareholder, Stichting Pensioenfonds ABP. Rabobank already had 70 per cent. of the voting rights in Obvion. Upon completion of this transaction Obvion will be fully owned by Rabobank. The transaction is being carried out subject to a statement of no objection from the Dutch Central Bank. The transaction is expected to be finalised in mid-2012.

Friesland Bank opts for merger with Rabobank

On 2 April 2012, Rabobank announced that Friesland Bank and Rabobank had reached agreement on the merger of Friesland Bank with Rabobank. For this purpose, Friesland Bank will initially become a wholly owned subsidiary of Rabobank Nederland. The merger of the customers, employees, branches and activities of Friesland Bank with the network of local Rabobanks in the Netherlands will occur during a transition period. This gradual integration is expected to take approximately two years.

Rabobank announces tender offer on Bank BGZ shares

On 11 April 2012, Rabobank announced a tender offer concerning the planned acquisition of shares in Bank BGZ. As a result of the tender offer, Rabobank intends to obtain 100 per cent. of shares conferring 100 per cent. of votes at Bank BGZ's shareholders' meeting. Rabobank will only purchase shares by means of the tender offer if, after the tender offer, Rabobank would hold at least 75 per cent. of all Bank BGZ's shares. With such a percentage shareholding Rabobank would obtain an absolute controlling stake in Bank BGZ.

Rabobank sells substantial stake-holding in Yes Bank

On 26 April 2012, Rabobank sold the majority of its stake in private lender Yes Bank, raising approximately U.S.$87 million. Rabobank, which owned 16.7 million shares, or a 4.73 per cent. stake, in Yes Bank as at the end of March 2012, sold 12.7 million shares in a series of market transactions. Rabobank has gradually reduced its stake in Yes Bank since June 2010.

Rabobank looking at options for Robeco

On 27 April 2012, Rabobank confirmed a strategic review of options for Robeco is being conducted. As at the date of this Base Prospectus, such review remains ongoing.

Ratings

On 14 December 2011, Fitch lowered the long-term issuer default rating (''IDR'') of Rabobank Group as well as of Rabobank Nederland to 'AA' with a stable outlook.

On 19 January 2012 DBRS confirmed the long-term deposits and senior debt rating of Rabobank Nederland of 'AAA'.

On 23 January 2012 Standard & Poor's affirmed the long-term counterparty credit rating of Rabobank Nederland of 'AA' but altered the outlook to negative, in line with the outlook for the sovereign credit rating of The Netherlands.

On 15 February 2012 Moody's placed the long-term debt and deposit ratings of Rabobank Nederland of 'Aaa' on review for downgrade.

Strategy of Rabobank Group

Rabobank Group's objectives and strategy for the period 2009-2012 are set out in the current Strategic Framework. The strategy for the period 2013-2016 was outlined in 2011. The new strategic framework will take account of a reorientation that reflects the great changes that have taken place in the banking sector in recent years and the current economic environment.

Strategic starting points

Founded in 1898, Rabobank Group has grown into one of the leading financial service providers in the Netherlands and one of the top international food and agri banks it is today. In its current Strategic Framework, Rabobank Group applies the following strategic starting points:

Rabobank is, and will continue to be, a cooperative that puts the client's interests first. Its structure and procedures set it apart from its competitors. Members exercise influence and control, imposing discipline on the cooperative. As part of its commitment to society, Rabobank endeavours to play a connecting role within the communities and markets in which it operates. It aims to make an active contribution in order to improve the quality of society. To this end, the bank provides financial resources and makes knowledge, media, networks and its employees available.

Rabobank Group offers a full range of financial products and services. This diversification within the group promotes financial stability. The wide range of knowledge and expertise available leads to innovation benefits and synergies. Market leadership continues to be important to Rabobank Group. To be able to keep fulfilling the cooperative's mission in future, the bank needs to be mindful of the profitability of its services.

Rabobank aims to continue to be an independent player of stature in order to preserve its identity as a cooperative. Food and agri is a natural basis for further growth because of Rabobank's leading knowledge position in this area, which follows on logically from its agricultural origins. Rabobank Group also intends to be a global trendsetter in the fields of renewable energy and clean technology, partly with a view to supporting sustainable economic development.

Being creditworthy is vital given the current economic developments. Rabobank seeks to maintain a high level of creditworthiness with solid balance sheet ratios, healthy profitability and high Tier 1 and core Tier 1 ratios in order to access finance at relatively low cost.

Rabobank aims to make an economic, social and ecological contribution to building a sustainable society. It therefore seeks to set high standards in the areas of the environment, society and governance with regard to its services and its policy on responsible banking. Clients need to be able to see that the services they receive are responsible and transparent.

Decisions made when updating strategy

When updating its strategy for the period up to the end of 2012, Rabobank made the following decisions:

Given the change in market conditions and the stricter capital and liquidity requirements under Basel III, Rabobank Group has decided to place even greater emphasis on sound balance sheet ratios. Any increase in lending is largely dependent on growth in amounts due to customers. It is important that the local Rabobanks, Rabobank International and the subsidiaries arrange a significant portion of their funding themselves. One way of assessing whether balance sheet ratios are relatively sound is to calculate the loan-to-deposit ratio (the ratio of credit loans to amounts due to customers). This ratio improved at Rabobank Group level in 2011 owing to moderate growth in lending in combination with a sharp rise in amounts due to customers.

With regard to the Netherlands, Rabobank intends to be the leading bank across the entire spectrum of businesses. A strong position in the corporate market creates added opportunities for providing services to business owners in a private capacity. In addition, Rabobank aims to achieve further growth in the private banking segment by means of differentiation in customer services, partnerships with subsidiaries and providing better advice. At an international level, Rabobank intends to offer the best possible services to its major Dutch clients through its extensive network.

Rabobank plans to continue to grow and develop as a cooperative. The rationale behind Rabobank is the same as its primary objective: to help customers achieve their ambitions. The client service model has been further adapted in order to enable the local Rabobanks to respond effectively to the changing needs of clients. During 2011, the range of services offered through direct channels was extended to enable customers to obtain services at a selected time and place.

Rabobank International will focus more on the core activities of Rabobank Group. In the Netherlands, this means supporting Rabobank Group's ambition to become the biggest and most

important business bank in the country. Elsewhere, Rabobank International will continue to focus on the food and agri sector.

The subsidiaries will also focus increasingly on helping Rabobank Group achieve its core objectives, specifically becoming the Dutch market leader and developing its profile as the leading food and agri bank. Making full use of specialist areas of expertise and achieving healthy returns are other important roles that will continue to be fulfilled by subsidiaries and associates. In 2011, Rabobank sold its equity interest in the Swiss bank Sarasin. Following this sale, Rabobank is now in a position to concentrate more on its core business.

In order to achieve its strategic ambitions, Rabobank Group needs talented, healthy and committed employees. Based on the belief that the skills and competencies of employees are what make the difference for a business, Rabobank makes group-wide investments in training and developing its workforce.

Strategic Framework 2013-2016

The environment in which Rabobank operates has changed very significantly in recent times, partly as a result of the global financial crisis and subsequent sovereign debt crisis in recent years. There have also been many legislative and regulatory changes. Under Basel III, stricter criteria have been set for capital and liquidity to ensure banks are better able to withstand financial shocks and make the financial system more stable. The rapid pace of growth seen at Rabobank over the past decade will slow. Furthermore, fuelled by Basel III and turmoil in the financial markets, competition in the savings market has increased and savings margins have come under pressure.

The Strategic Framework for the period 2013-2016 has been prepared in light of for this new economic reality. The starting point for this new framework will be sustainable banking and selective growth. The strategy continues to focus on the fact that Rabobank exists for the benefit of its customers and members. The new framework provides clarity concerning themes that are important to Rabobank, such as the interests of customers, sustainability, being perceived as an appealing employer, improving the position of banks within society, and creating synergy by bringing group entities closer together. The cooperative structure is resilient and progressive, and the cooperative structure forms a cornerstone of Rabobank's identity and approach. The new Strategic Framework will be set out in more concrete terms in the course of 2012.

Strategy for domestic retail banking

Rabobank Group's ambition is to achieve market leadership in all segments of the Dutch market. Domestic retail banking contributes fully to this ambition by offering a comprehensive range of financial products and services. Rabobank Group has a large market share in the Dutch mortgage and savings market, the market for trade, industry and services (TIS) and the agricultural sector. Rabobank serves the mortgage market with the local Rabobanks and mortgage business Obvion. Rabobank's equity interest in Achmea B.V., formerly called Eureko, was reduced from 31 per cent. to 29 per cent. in 2011. In the Netherlands, Achmea is a prominent participant in the insurance market, operating labels such as Interpolis. As a primary supplier of customers of the local Rabobanks, Interpolis offers a comprehensive range of insurance products and services for the retail mass market and small to medium enterprises ("**SMEs**"). Rabobank aspires to achieve profitable growth in the insurance market. Rabobank has traditionally had a unique connection with the agricultural sector, serving this sector as a financier, sparring partner and centre of expertise. Rabobank is committed to maintaining this position.

Strategy for wholesale banking and international retail banking

Rabobank International's strategy focuses on providing a broad range of services in The Netherlands and on serving the food and agri sector internationally. The strategy rests on three pillars: market leadership in the Netherlands, recognition as the global food and agri bank and leveraging of specialist knowledge and products. The underlying principle of Rabobank's strategy is to build long-term relationships with clients. In the Dutch wholesale market, Rabobank International supports the local Rabobanks in their service provision to wholesale clients. Rabobank International serves the major corporates in the Dutch corporate market. Opportunities were seized in this market in 2011 to broaden Rabobank's service provision to corporate clients and to further increase the number of these clients. In an international context, wholesale banking focuses on the food and agribusiness sector. Rabobank has traditionally played the role of knowledge bank in this sector and has the ambition of being the leading food and agri bank

globally. The international wholesale banking business concentrated mainly on its existing food and agri clients in 2011. Because of its international presence and local market knowledge, it managed to streamline its customer services and meet individual customer requirements even better. The international rural and retail banking business focuses on wholesale food and agri clients and on retail clients, particularly to raise savings deposits, in a select number of leading food and agri countries. After having expanded its retail network in key food and agri regions in 2010, Rabobank concentrates on the further integration of these operations into its existing retail activities in 2011. Rabobank contributes to making value chains in the food and agri sector more sustainable.

Strategy for asset management

Robeco and Schretlen & Co support Rabobank Group's market leadership in the Netherlands by offering a wide range of investment funds and assets management services via different distribution channels. With their broad product offering and specialised investment teams, they offer tailored investment and asset management services to a wide range of investors. Robeco, together with its subsidiaries Transtrend and Harbor Capital Advisors, provide services to large institutional investors; on an international level, they offer investment services to high net-worth individuals, among other clients. Rabobank Private Banking offers estate planning and asset management services to high net-worth clients. Responsible investing takes centre-stage in client services. Bouwfonds REIM, a division of Rabo Real Estate Group, offers property-based investment products to private and institutional investors.

Strategy for leasing

De Lage Landen's strategy is aimed at further optimising its portfolio. The strategy centres on working in tandem with other Rabobank Group entities. In the Netherlands, De Lage Landen has collaborated closely with the local Rabobanks for many years. Teamwork is emphasised in an international context too, for instance in Poland where De Lage Landen has a joint venture with Bank BGZ, and in China where Rabobank International and De Lage Landen have entered into a partnership with the Agricultural Bank of China. The OneDLL programme is designed to further intensify ties between the different divisions of De Lage Landen.

Strategy for real estate

Rabo Real Estate Group operates the following labels: Bouwfonds Property Development, MAB Development, FGH Bank, Bouwfonds REIM and Fondsenbeheer Nederland. Bouwfonds Property Development develops comprehensive residential areas and small mixed-use projects. MAB Development is a leading commercial property developer. FGH Bank specialises in property finance. Bouwfonds REIM manages real estate investment funds. Fondsenbeheer Nederland is an independent manager of seven community funds that actively strive to improve the quality of our living environment.

Rabo Real Estate Group is Rabobank Group's in-house centre of expertise in real estate. Besides its home market in the Netherlands, Rabo Real Estate Group is also a significant participant in France and Germany. Through real estate development (residential areas and commercial properties), property finance and investment management, Rabo Real Estate Group aims, in a socially responsible way, to help its clients achieve their ambitions for living, working, shopping and leisure. In doing so, Rabo Real Estate Group seeks to maintain its national and international markets positions, with controlled growth of its activities in France and Germany.

Competition

Rabobank Group competes in the Netherlands with several other large commercial banks and financial institutions, such as ABN AMRO, ING Group and SNS Reaal, and also with smaller financial institutions in specific markets. Over the last few years, banks have increased their emphasis on the credit quality of borrowers. This emphasis, combined with the deregulation of capital markets, has increased competition among banks in the Netherlands significantly. In addition, life insurance companies and pension funds in the Netherlands have become major competitors in the markets for residential mortgage loans and savings deposits. In 2008, several large commercial banks and financial institutions in the Netherlands, including ABN AMRO, ING Group and SNS Reaal, received financial support from the Dutch government. These developments may affect the competitive environment in which Rabobank Group operates in the

Netherlands and Rabobank expects competition in the Dutch savings market to continue in 2012 and 2013.

The Dutch mortgage loan market is highly competitive. Driven by the tax deductibility of mortgage loan interest payments, Dutch homeowners usually take out relatively high mortgage loans. This does not necessarily indicate a high risk for banks with mortgage-lending operations. The local Rabobanks have a balanced mortgage loan portfolio with a weighted loan-to-value of approximately 67 per cent. Historically, mortgage lending in the Netherlands has been relatively low risk and all mortgage loans are collateralised. Mortgage loan defaults do not occur frequently, either in Rabobank Group's mortgage lending operations or in the Netherlands generally. Almost all mortgages in the Netherlands have a maturity of 30 years. Generally, mortgages have a long-term (greater than five years) fixed interest rate, after which period the rate is reset at the current market rate. Customers generally only have the option to prepay a certain percentage on the principal amount on their mortgage loan without incurring a penalty fee, thus reducing the interest rate risks related to mortgage loan refinancing for Rabobank Group.

Market shares in the Netherlands

As an all-finance service provider, Rabobank Group offers a comprehensive package of financial products and services. Set forth below is information regarding Rabobank Group's shares in selected markets. The percentages of market share should be read as percentages of the relevant Dutch market as a whole.

Residential mortgages: For the year ended 31 December 2011, Rabobank Group had a market share of 31.7 per cent. of the total amount of new home mortgages in the Dutch mortgage market by value (26.2 per cent. by local Rabobanks and 5.5 per cent. by Obvion; source: Dutch Land Registry Office (Kadaster)). Rabobank Group is the largest mortgage-lending institution in the Netherlands (measured by Rabobank's own surveys).

Saving deposits of individuals: At 31 December 2011, Rabobank Group had a market share of 38.7 per cent. of the Dutch savings market (source: Statistics Netherlands (*Centraal Bureau voor de Statistiek*)). Rabobank Group is one of the largest savings institution in the Netherlands measured as a percentage of the amount of saving deposits (source: Statistics Netherlands). Of the total saving deposits in the Netherlands, 37.3 per cent. are held by the local Rabobanks and 1.4 per cent. are held by Robeco Direct's savings bank Roparco.

Lending to small and medium-sized enterprises: At 31 December 2011, Rabobank Group had a market share of 42 per cent. of domestic loans to the trade, industry and services sector (i.e. enterprises with a turnover of less than €250 million; measured by Rabobank's own surveys).

Agricultural loans: At 31 December 2011, Rabobank Group had a market share of 83 per cent. of loans and advances made by banks to the Dutch primary agricultural sector (measured by Rabobank's own surveys).

Properties

Rabobank Nederland and the local Rabobanks typically own the land and buildings used in the ordinary course of their business activities in the Netherlands. Outside the Netherlands, some Rabobank Group entities also own the land and buildings used in the ordinary course of their business activities. In addition, Rabobank Group's investment portfolio includes investments in land and buildings. Rabobank believes that Rabobank Group's facilities are adequate for its present needs in all material respects.

Insurance

On behalf of all entities of Rabobank Group, Rabobank has taken out a group policy that is customary for the financial industry. Rabobank is of the opinion that this insurance, which is banker's blanket and professional indemnity, is of an adequate level.

Legal proceedings

Rabobank Group is involved in governmental, litigation and arbitration proceedings in the Netherlands and in foreign jurisdictions, including the United States, involving claims by and against Rabobank Group which arise in the ordinary course of its businesses, including in connection with Rabobank Group's activities as an insurer, lender, employer, investor, financial adviser, underwriter and taxpayer during a period covering at least the previous 12 months. While

it is not feasible to predict or determine the ultimate outcome of all pending or threatened proceedings and litigation, Rabobank believes that the ultimate outcome of the various proceedings and litigation already commenced, and/or any threatened proceedings and litigation, will not have a material adverse or significant effect on Rabobank Group's financial condition or profitability, given its size, balance sheet, income stream and provisioning policy.

RABOBANK GROUP STRUCTURE

Rabobank Group is an international financial services provider operating on the basis of cooperative principles. It offers retail banking, wholesale banking, asset management, leasing and real estate services. Its focus is on all-finance services in the Netherlands and on food and agri business internationally. Rabobank Group comprises independent local Rabobanks plus Rabobank Nederland, their umbrella organisation, and a number of specialist subsidiaries. Rabobank Nederland is the holding company of a number of specialised subsidiaries in the Netherlands and abroad.

The umbrella organisation of Rabobank Group, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland), having its statutory seat in Amsterdam, is a cooperative entity formed primarily as a result of the merger of the two largest banking cooperative entities in the Netherlands and was incorporated with unlimited duration on 22 December 1970. A cooperative under the laws of the Netherlands has members and has the statutory objective to provide for certain material needs of its members. Rabobank Nederland was registered with the Trade Register of the Chamber of Commerce in Utrecht, the Netherlands in December 1970 under number 30046259. The executive offices are located at: Croeselaan 18, 3521 CB Utrecht, the Netherlands. The telephone number is: +31 (0)30 2160000.

Membership in Rabobank Nederland is open only to cooperative banks whose articles of association have been approved by Rabobank Nederland. In addition to being a member of Rabobank Nederland, each local Rabobank has shares in Rabobank Nederland in accordance with Article 15 of Rabobank Nederland's articles of association. The shares are fully paid up on issuance and are not permitted to be pledged, given in usufruct, or otherwise encumbered, alienated or transferred. The articles of association provide that shares may be issued only pursuant to a resolution of the General Meeting proposed by Rabobank Nederland's Executive Board and approved by its Supervisory Board. Pursuant to the articles of association, each local Rabobank is obliged, by virtue of its membership, to participate in any future issue of shares. Since 1 July 2010 the total number of outstanding shares of Rabobank has been 6,001,800 of €1,000 each. The share capital of Rabobank Nederland is €6,002 million. On the basis of a prescribed allocation formula, taking into account the total balance sheet position, Tier 1 capital and commercial profits of each local Rabobank, these shares were distributed to the members. In 2011, a dividend of €483 million, as approved by the General Meeting, was distributed to the local Rabobanks and in 2012 a dividend of €493 million is expected to be distributed to the local Rabobanks. In previous years, such distributed dividends to the local Rabobanks amounted to €438 million in 2010, €342 million in 2009, nil in 2008 and nil in 2007. At Rabobank Group level, these dividend distributions did not have, and are not expected to have, any impact on equity.

As members of Rabobank Nederland, the local Rabobanks have certain ownership rights with respect to Rabobank Nederland. However, their position with respect to ownership cannot be compared to the position of shareholders in a corporation. Pursuant to Rabobank Nederland's articles of association, if, in the event of Rabobank Nederland's liquidation, whether by court order or otherwise, its assets should prove to be insufficient to meet its liabilities, the local Rabobanks, as members of Rabobank Nederland at the time of the liquidation as well as those who ceased to be members in the year prior to the liquidation, shall be liable for the deficit in proportion to their respective last adopted balance sheet totals. If it should prove impossible to recover the share of one or more liable members or former members in the shortfall, the remaining liable parties shall be liable in the same proportion for the amount not recovered. Under the articles of association of Rabobank Nederland, the total amount for which members or former members are liable shall never exceed 3 per cent. of its last adopted balance sheet total. However, this limitation of liability under the articles of association of Rabobank Nederland does not affect the liability of the local Rabobanks under the cross-guarantee system and their liability under the compensation agreements (as described below).

Rabobank Nederland's functions within Rabobank Group can be broadly divided into several areas. Traditionally, an important task of Rabobank Nederland has been its function as a bankers' bank. Another important task is to provide service to the local Rabobanks in the form of support, advice and guidance. Rabobank Nederland negotiates rights in the name of the local Rabobanks and enters into commitments on their behalf, provided that such commitments have the same implications for all local Rabobanks (for instance, the entering into of collective labour agreements on behalf of the local Rabobanks). Furthermore, Rabobank Nederland is entrusted with the

supervision of the local Rabobanks pursuant to the provisions of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*). Finally, Rabobank Nederland operates its own banking business, both complementary to and independent of the business of the local Rabobanks and is the holding company of various subsidiaries.

At 31 December 2011, the number of local Rabobanks was 139. The local Rabobanks are organised as cooperative entities under the laws of the Netherlands and draw all of their members from their customers. At 31 December 2011, the local Rabobanks had approximately 1,862,000 members. Members of the local Rabobanks do not make capital contributions to the local Rabobanks and are not entitled to the equity of the local Rabobanks. Members are not liable for any obligations of the local Rabobanks.

For regulatory and financial reporting purposes, Rabobank Nederland and the local Rabobanks, as well as the participating subsidiaries, are treated as one consolidated entity.

Relationship between Rabobank Nederland and the local Rabobanks

The Rabobank Nederland cooperative and its members

Rabobank Nederland was established for the support of the local Rabobanks' banking business and act as their bankers' bank. In addition, Rabobank Nederland acts as supervisor of the local Rabobanks, partly on behalf of the Dutch supervisory authorities. Only banks that have a cooperative structure and whose Articles of Association have been approved by Rabobank Nederland can be members of Rabobank Nederland. The local Rabobanks also hold shares in the capital of Rabobank Nederland. In turn, the local Rabobanks have members as well, who are local clients. The local Rabobanks have strictly defined rights and obligations towards Rabobank Nederland and each other that are reflected in the governance structure.

Supervision of local Rabobanks

Pursuant to the prudential supervision part of the Dutch Financial Supervision Act and under Rabobank Nederland's Articles of Association and the Articles of Association of the local Rabobanks, Rabobank Nederland supervises the local Rabobanks on the control over and the integrity of their operations, sourcing, solvency and liquidity. In addition, under the conduct supervision part of the Dutch Financial Supervision Act, Rabobank Nederland has been appointed by the Dutch Ministry of Finance as the holder of a collective license that also includes the local Rabobanks. Thus, the supervision of conduct by the AFM is exercised through Rabobank Nederland.

Internal liability (cross-guarantee system)

Rabobank Group consists of the local Rabobanks, their central organisation Rabobank Nederland and its subsidiaries and other affiliated entities. Through their mutual financial association, various legal entities within Rabobank Group collectively make up a single organisation. An internal liability relationship exists between these legal entities, as referred to in Article 3:111 of the Dutch Financial Supervision Act. This relationship is formalised in an internal cross-guarantee system (*kruislingse garantieregeling*), which stipulates that if a participating institution has insufficient funds to meet its obligations towards its creditors, the other participants must supplement that institution's funds in order to enable it to fulfil those obligations. Within Rabobank Group the participating entities are:

Rabobank Nederland
Local Rabobanks
Rabohypotheekbank N.V.
Raiffeisenhypotheekbank N.V.
De Lage Landen Financial Services B.V.
De Lage Landen Financiering B.V.
De Lage Landen International B.V.
De Lage Landen Trade Finance B.V.
Schretlen & Co N.V.

The local Rabobanks are also parties to several compensation agreements whereby shortfalls of local Rabobanks with respect to equity, profitability, loan loss reserves and financing losses are financed by charging all other local Rabobanks.

403 Declaration

Rabobank Nederland has assumed liability for the debts arising from legal transactions of a number of Rabobank Group companies under section 2:403 of the Dutch Civil Code (*Burgerlijk Wetboek*).

Rabobank Nederland's activities

Capital adequacy and liquidity

The cross-guarantee system operates in concert with the regulatory and administrative supervision of the local Rabobanks by Rabobank Nederland. Notwithstanding the fact that Rabobank Nederland and the local Rabobanks are supervised by the Dutch Central Bank (*De Nederlandsche Bank N.V.*) on a consolidated basis, based on Article 3:111 of the Dutch Financial Supervision Act, Rabobank Nederland has responsibility for ensuring compliance by the local Rabobanks with the applicable capital adequacy and liquidity regulations. The capital adequacy regulations are intended to preserve a bank's ability to withstand loan losses and other business risks through reserves and retained earnings. The internal standards actually applied by Rabobank Nederland, however, are more conservative than the regulations promulgated by the law. This policy partly reflects the fact that local Rabobanks, which cannot raise new capital by issuing shares, can only grow and maintain an appropriate ratio of reserves to total liabilities by making profits. Any local Rabobank whose ratio of reserves to total liabilities fails to meet internal solvency standards is subject to stricter supervision by Rabobank Nederland. In particular, Rabobank Nederland may restrict such local Rabobank's authority to make lending decisions within Rabobank Group's lending limits.

The local Rabobanks are permitted to have accounts only with Rabobank Nederland, which is the sole outlet for each local Rabobank's excess liquidity and acts as treasurer to the local Rabobanks.

Supervision on market conduct

Pursuant to section 2:105 of the Dutch Financial Supervision Act, Rabobank Nederland has been designated by the Minister of Finance (*Ministerie van Financiën*) as an undertaking which is deemed to have a collective licence, applying both to itself and to all local Rabobanks. As a consequence of this collective licence, the supervision by the AFM, as far as compliance with the rules on market conduct pursuant to the Dutch Financial Supervision Act is concerned, will be directed at Rabobank Nederland. In turn, Rabobank Nederland plays a central role in the supervision of the conduct of the local Rabobanks.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the financial statements and the notes thereto of Rabobank Group incorporated by reference into this Base Prospectus. Certain figures for Rabobank Group at and for the year ended 31 December 2010 included in the following discussion have been restated as a result of changes in accounting policies and presentation. See below "Change in accounting policies and certain restatements" for further information. As of 2005, the financial statements have been prepared in accordance with IFRS as adopted by the European Union. The financial data in the (sub) paragraphs in this chapter marked with an asterisk (*) has not been directly extracted from the audited financial statements but instead is unaudited and derived from the accounting records of Rabobank Nederland, unless otherwise stated.

Business overview*

Rabobank Group is an international financial service provider operating on the basis of cooperative principles. At 31 December 2011, it comprised 139 independent local Rabobanks and their central organisation Rabobank Nederland and its subsidiaries. Rabobank Group operates in 47 countries. Its operations include domestic retail banking, wholesale banking and international retail banking, asset management, leasing and real estate. It serves approximately 10 million clients around the world. In the Netherlands, its focus is on all-finance services and, internationally, on food and agri. Rabobank Group entities have strong relationships due to Rabobank's cooperative structure. At 31 December 2011, Rabobank Group had total assets of €731.7 billion and 59,670 full-time employees.

Rabobank's stability and creditworthiness is reflected in the ratings awarded by several rating agencies (Standard & Poor's, Moody's, Fitch and DBRS). In terms of Tier 1 capital, Rabobank Group is among the world's 30 largest financial institutions (source: *The Banker*).

Rabobank Nederland, the local Rabobanks and certain subsidiaries in Rabobank Group are linked through a "cross-guarantee system". The cross-guarantee system provides for intra-group credit support among Rabobank Nederland, all local Rabobanks and certain of Rabobank Group's subsidiaries that are the other participating institutions. Under the cross-guarantee system, funds are made available by each participating institution if another participant suffers a shortfall in its funds. If a participating institution is liquidated and has insufficient assets to cover its liabilities, the other participating institutions are liable for its debts. For more details, see "Rabobank Group Structure — Internal liability (cross-guarantee system)".

The independent local Rabobanks make up Rabobank Group's cooperative core business. Clients can become members of their local Rabobank. In turn, the local Rabobanks are members of Rabobank Nederland, the supralocal cooperative organisation that advises and supports the banks in their local services. Rabobank Nederland also supervises the operations, sourcing, solvency and liquidity of the local Rabobanks. With 872 branches and 2,949 cash-dispensing machines at 31 December 2011, the local Rabobanks form a dense banking network in the Netherlands. In the Netherlands, the local Rabobanks serve approximately 6.8 million retail clients and approximately 0.8 million corporate clients, both private and corporate, offering a comprehensive package of financial services.

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) is the holding company of a number of specialised subsidiaries in the Netherlands and abroad. Rabobank International is Rabobank Group's wholesale bank and international retail bank.

Factors affecting results of operations

*General market conditions**

Rabobank Group's results of operations are affected by a variety of market conditions, including economic cycles, fluctuations in stock markets, interest rates and exchange rates, and increased competition. Banks are still facing persistent turmoil in financial markets following the European sovereign debt crisis that arose in the first half of 2010. Moreover, renewed tensions surrounding Iran's nuclear program, associated with the release of a new report of the International Atomic Energy Agency in November 2011, and the continuing social unrest (which started in the beginning of 2011) in certain Middle East countries, particularly Syria, may also cause adverse economic effects which may adversely impact the Rabobank Group. In the

Netherlands, competition for savings is likely to continue. The limited growth of the Dutch economy impacted Rabobank Group's growth in lending and resulted in loan losses above Rabobank Group's long-term average.

In 2011, 62 per cent. of Rabobank Group's total income was derived from its Dutch operations. Accordingly, changes in the Dutch economy, the levels of Dutch consumer spending and changes in the Dutch real estate, securities and other markets may have a material effect on Rabobank Group's operations. However, because of Rabobank Group's high level of product diversification, it has not experienced major fluctuations in its levels of profitability in the past. Outside of the Netherlands, the markets Rabobank Group focuses on, i.e. principally food and agri, are impacted by business cycles only in a limited way.

Although Rabobank Group expects that the foregoing factors will continue to affect its consolidated results of operations, it believes that the impact of any one of these factors is mitigated by its high level of product diversification. However, a protracted economic downturn in the Netherlands or Rabobank Group's other major markets could have a material negative impact on its results of operations. See ''Risk Factors — Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme — Business and general economic conditions''.

Stock market fluctuations

Since the outbreak of the financial crisis in the second half of 2007, equity markets have been adversely affected. A decline in the stock markets could adversely affect Rabobank Group's results of operations and its financial assets.

Interest rates

Changes in prevailing interest rates (including changes in the difference between the levels of prevailing short-term and long-term rates) can materially affect Rabobank Group's results. For example, a low interest rate environment could adversely affect the Rabobank Group's results, as due to the structure of its balance sheet, Rabobank has a significant level of non- and low-interest bearing liabilities (its reserves, balances on payment accounts and current accounts). Generally, a sustained period of lower interest rates will reduce the yields on the assets that are financed with these liabilities. Conversely, rising interest rates should, over time, increase investment income but may, at the same time, reduce the market value of pre-existing investment portfolios. Rising rates can also lead to higher or lower interest margins depending on whether Rabobank Group's interest-earning assets reprice at a faster rate than interest-bearing liabilities or the degree to which the spreads on assets or liabilities narrow or widen. Although interest rates may start an upward trend if a final solution to the European sovereign debt crisis materialises, Rabobank expects that the relatively low interest rate environment that it faced in the recent past is likely to continue in 2012, with a corresponding impact on Rabobank Group's results.

As discussed under ''Risk Management — Interest rate risk'', Rabobank Group generally takes a limited interest rate position that is managed within strict limits and designed to take advantage of expected changes in interest rates and the yield curve.

Critical accounting policies

The accounting policies that are most critical to Rabobank Group's business operations and the understanding of its results are identified below. In each case, the application of these policies requires Rabobank to make complex judgements based on information and financial data that may change in future periods, the results of which can have a significant effect on Rabobank Group's results of operations. As a result, determinations regarding these items necessarily involve the use of assumptions and judgements as to future events and are subject to change. Different assumptions or judgements could lead to materially different results. See the footnotes to the audited consolidated financial statements incorporated by reference into this Base Prospectus for additional discussion of the application of Rabobank Group's accounting policies.

Value adjustments

Rabobank regularly assesses the adequacy of the allowance for loan losses by performing ongoing evaluations of the loan portfolio. Rabobank's policies and procedures to measure impairment are IFRS compliant. Rabobank considers a loan to be impaired when, based on current information and events, it is probable that Rabobank will not be able to collect all amounts due (principal and interest) according to the original contractual terms of the loan.

Rabobank distinguishes:

- Specific allowances for impaired corporate loans. For these loans, impairment is measured on a case-by-case basis. Once a loan is identified as impaired, the impairment amount is measured as the difference between the carrying amount and the recoverable amount of the loan. The recoverable amount equals the present value of expected future cash flows discounted at the loan's effective rate.
- Collective allowances for loans that are not significant enough to be assessed individually. Retail portfolios of loans that are not individually assessed for impairment are grouped into pools, based on similar risk characteristics, and are collectively assessed for impairment. The allowance is set using IFRS-adjusted Basel II parameters.
- An Incurred But Not Reported ("**IBNR**") allowance for losses on loans that have been incurred but have not yet been individually identified at the balance sheet date. Non-impaired loans are included in groups with similar risk characteristics and are collectively assessed for the potential losses, based on IFRS-adjusted expected loss parameters. Furthermore, factors are used which assume that within three to six months impairment will be discovered.

The impairment amount thus determined is recorded in the profit and loss account as a bad debt cost with the corresponding credit posted as an allowance against the loan balance in the balance sheet.

The Provisioning Committee headed by the CFO decides twice a year on allowance-taking for all impaired loans above a certain threshold (currently over €45 million) or with an allowance above a pre-determined threshold (currently over €15 million).

Trading activities

Rabobank's trading portfolio is carried at fair value based on market prices or model prices if the market prices are not available. The market value of financial instruments in Rabobank Group's trading portfolio is generally based on listed market prices or broker-dealer price quotations. If prices are not readily determinable, fair value is based on valuation models. The fair value of certain financial instruments, including OTC derivative instruments, are valued using valuations models that consider, among other factors, contractual and market prices, correlations, time value, credit, yield curve volatility factors and/or prepayment rates of the underlying positions.

Change in accounting policies

As a result of changes in accounting policies and presentation, certain figures for Rabobank Group for the year ended 31 December 2010 in this Base Prospectus have been restated, see the Consolidated Financial Statements 2011 Rabobank Group, under note 2.1.1, "Changes in accounting policies and presentation". Where the year ended 31 December 2011 is compared with the year ended 31 December 2010, the restated figures for 2010 are discussed.

Results of operations

The following table sets forth certain summarised financial information for Rabobank Group for the years indicated:

	Year ended 31 December		
(in millions of euro)	2011	2010	2009
Interest	9,229	8,614	8,075
Commission	2,981	2,831	2,575
Other results	1,168	1,271	1,784
Total income	13,378	12,716	12,434
Staff costs	5,141	4,919	4,603
Other administrative expenses	3,001	2,706	2,908
Depreciation and amortisation	578	571	527
Operating expenses	8,720	8,196	8,038
Gross result	4,658	4,520	4,396
Value adjustments	1,606	1,234	1,959
Operating profit before taxation	3,052	3,286	2,437
Taxation	425	514	229
Net profit	2,627	2,772	2,208

Year ended 31 December 2011 compared to year ended 31 December 2010

Total income. Rabobank Group's total income increased 5 per cent. in 2011, rising to €13,378 million compared to €12,716 million in 2010.

Interest. Due to an increase in lending and higher margins at De Lage Landen and FGH Bank interest income increased 7 per cent. to €9,229 million in 2011 compared to €8,614 million in 2010.

Commission. Commission increased 5 per cent. to €2,981 million in 2011 compared to €2,831 million in 2010, as commissions on payment transactions and loans increased.

Other results. Other results fell significantly in 2011 to €1,168 million compared to €1,271 million in 2010. Impairments on land suffered by the real estate business and lower income from the equity interest in Achmea drove the 8 per cent. drop in other results.

Operating expenses. Rabobank Group's operating expenses rose by 6 per cent. in 2011 to €8,720 million compared to €8,196 million in 2010, mainly due to an increase in staff costs.

Staff costs. Staff costs increased by 5 per cent. to €5,141 million in 2011 compared to €4,919 million in 2010. Staff costs rose due to a larger employee base, periodic salary increases and higher pension costs.

Other administrative expenses. Other administrative expenses rose by 11 per cent. to €3,001 million in 2011 compared to €2,706 million in 2010. The administrative expenses rose, in part, due to higher IT and marketing expenses.

Depreciation and amortisation. Depreciation and amortisation charges increased 1 per cent. to €578 million in 2011 compared to €571 million in 2010.

Value adjustments. Rabobank Group saw its bad debt costs increase in 2011 as a result of the climate of economic adversity. Various customer groups hit a rough patch in the second half of 2011 in particular. The continuing poor property market conditions fuelled a rise in bad debt costs in the real estate business. Rabobank International's bad debt costs remained high because of sustained losses suffered by Irish-based ACCBank due to the weak economy and property market. The local Rabobanks were forced to form additional provisions for greenhouse horticulture in 2011 as a result of the EHEC crisis, pursuant to which the EHEC-bacteria caused problems for a part of Rabobank's customers in the Dutch greenhouse horticulture sector. On the aggregate, value adjustments were up 30 per cent. at Group level, rising to €1,606 in 2011 compared to €1,234 million in 2010. At 37 basis points of average lending (2010: 29 basis points), bad debt

costs were 13 basis points above the long-term average of 24 basis points (based on the period 2001 to 2010).

Taxation. The recognised tax expense was €425 million in 2011 compared to €514 million in 2010, which corresponds to an effective tax rate of 13.9 per cent. (2010: 15.6 per cent.).

Net profit. Net profit decreased by 5 per cent. to €2,627 million in 2011 compared to €2,772 million in 2010. An amount of €1,549 million (in 2010: €1,846 million) remains net of non-controlling interests and payments on Rabobank Member Certificates (*Rabobank Ledencertificaten*) (the depository receipts of participation rights directly issued by Rabobank Nederland ("**Rabobank Member Certificates**")) and hybrid equity instruments. This amount was used to improve Rabobank's capital position.

Year ended 31 December 2010 compared to year ended 31 December 2009

Total income. Rabobank Group's total income increased 2 per cent. in 2010, rising to €12,716 million compared to €12,434 million in 2009.

Interest. Due to recovered margins on savings deposits and an increase in lending, interest income increased 7 per cent. to €8,614 million in 2010 compared to €8,075 million in 2009.

Commission. Commission increased 10 per cent. to €2,831 million in 2010 compared to €2,575 million in 2009. Asset management fees rose because more assets were managed for clients.

Other results. Other results fell sharply in 2010 to €1,271 million compared to €1,784 million in 2009. Other results had been relatively high in 2009 due mainly to the amortisation of actuarial gains and the repurchase of debt securities.

Operating expenses. Rabobank Group's operating expenses rose by 2 per cent. in 2010 to €8,196 million compared to €8,038 million in 2009, mainly due to an increase in staff costs because of the devaluation of the euro.

Staff costs. Staff costs increased by 7 per cent. to €4,919 million in 2010 compared to €4,603 million in 2009. Staff costs rose notably at Rabobank International and, to a lesser extent, at De Lage Landen because of the depreciation of the euro. Higher pension costs also contributed to the rise in staff costs.

Other administrative expenses. Other administrative expenses dropped by 7 per cent. to €2,706 million in 2010 compared to €2,908 million in 2009. The administrative expenses dropped due to tighter group-wide cost control and lower costs incurred for the deposit guarantee system.

Depreciation and amortisation. Depreciation and amortisation charges increased 8 per cent. to €571 million in 2010 compared to €527 million in 2009.

Value adjustments. Many of Rabobank Group's corporate clients were able to improve their financial position. As a result, Rabobank made considerably fewer allocations on balance to the allowance for loan losses. Bad debt costs were down mainly at the local Rabobanks, Rabobank International and De Lage Landen. At Group level, value adjustments dropped by 37 per cent., falling to €1,234 million in 2010 compared to €1,959 million in 2009. At 29 basis points of average lending (2009: 48 basis points), bad debt costs were still slightly above the long-term average of 23 basis points (based on the period 2000 to 2009).

Taxation. The recognised tax expense was €514 million in 2010 compared to €229 million in 2009, which corresponds to an effective tax rate of 15.6 per cent. (2009: 9.4 per cent.).

Net profit. Net profit increased by 26 per cent. to €2,772 million in 2010 compared to €2,208 million in 2009 primarily due to lower bad debt costs, but also because of higher interest income and a moderate rise in expenses. An amount of €1,846 million (in 2009: €1,395 million) remained net of non-controlling interests and payments on Rabobank Member Certificates and hybrid equity instruments. This amount was used to bolster Rabobank's capital position.

Segment discussion*

Domestic retail banking

The following table sets forth certain summarised financial information for Rabobank Group's domestic retail banking business for the years indicated:

	Year ended 31 December		
(in millions of euro)	2011	2010	2009
Interest	5,218	4,894	4,360
Commission	1,357	1,321	1,261
Other results	366	294	505
Total income	6,941	6,509	6,126
Staff costs	2,258	2,161	2,196
Other administrative expenses	1,609	1,553	1,569
Depreciation and amortisation	119	119	133
Operating expenses	3,986	3,833	3,898
Gross result	2,954	2,676	2,228
Value adjustments	648	358	721
Operating profit before taxation	2,307	2,318	1,507
Taxation	454	475	294
Net profit	1,853	1,843	1,213

Year ended 31 December 2011 compared to year ended 31 December 2010

Total income. Domestic retail banking total income increased by 7 per cent., rising to €6,941 million in 2011, compared to €6,509 million in 2010.

Interest. Interest income increased 7 per cent. to €5,218 million in 2011, compared to €4,894 million in 2010, due, in part, to growth in lending and amounts due to customers.

Commission. Commission showed a 3 per cent. rise to €1,357 million in 2011, compared to €1,321 million in 2010.

Other results. An increase in share capital contributed by the local Rabobanks to Rabobank Nederland caused higher dividend distributions by Rabobank Nederland to the local Rabobanks in 2011.This was one of the reasons for the 25 per cent. rise of other results to €366 million in 2011, compared to €294 million in 2010.

Operating expenses. Total operating expenses for domestic retail banking increased 4 per cent. in 2011, rising to €3,986 million in 2011, compared to €3,833 million in 2010, principally as a result of an increase in staff costs.

Staff costs. The costs of hiring external staff were higher than in 2010. Extra staff were needed to implement the measures dictated by new rules and regulations, and to fill temporary vacancies. Another factor contributing to the 4 per cent. increase in staff costs to €2,258 million in 2011, compared to €2,161 million in 2010, was the salary increase under the collective bargaining agreement.

Other administrative expenses. Other administrative expenses increased 4 per cent. to €1,609 million in 2011, compared to €1,553 million in 2010.

Depreciation and amortisation. At €119 million in 2011, compared to €119 million in 2010, depreciation and amortisation were stable.

Value adjustments. Due, in part, to the EHEC crisis in greenhouse horticulture, bad debt costs witnessed a slight increase in the first half of 2011 despite economic growth and the reasonable outlook at the time. There was a considerable downturn in the economy, however, in the second half of the year, causing value adjustments to rise further by 81 per cent. to reach €648 million in 2011, compared to €358 million in 2010. At 22 (2010: 13) basis points of average lending, bad debt costs were above the long-term average of 12 basis points, based on the

period 2001 to 2010. Of lending, 69 per cent. is comprised of residential mortgage loans. Bad debt costs on residential mortgage loans stood at 3 (2010: 4) basis points.

Taxation. Taxation decreased in 2011 by €21 million to €454 million compared to €475 million in 2010.

Net profit. Net profit increased by 1 per cent. to €1,853 million in 2011 compared to €1,843 million in 2010. Year ended 31 December 2010 compared to year ended 31 December 2009.

Total income. Domestic retail banking total income increased by 6 per cent., rising to €6,509 million in 2010, compared to €6,126 million in 2009.

Interest. Interest income increased 12 per cent. to €4,894 million in 2010, compared to €4,360 million in 2009, as a result of recovered margins, particularly on savings deposits.

Commission. Commission showed a limited 5 per cent. rise to €1,321 million in 2010, compared to €1,261 million in 2009, in part as a result of the issue of new products.

Other results. Other results were comprised mostly of dividends from Rabobank Nederland; this item amounted to €294 million in 2010, compared to €505 million in 2009.

Operating expenses. Total operating expenses at domestic retail banking decreased 2 per cent. in 2010, falling to €3,833 million in 2010, compared to €3,898 million in 2009, principally as a result of a decrease in staff costs.

Staff costs. There was a decline in costs of contract staff and other staff costs. The headcount was down 4 per cent. to 27,322 full time employees (2009: 28,529). Owing to these developments, staff costs fell by 2 per cent. on balance to €2,161 million in 2010, compared to €2,196 million in 2009.

Other administrative expenses. At €1,553 million in 2010, compared to €1,569 million in 2009, other administrative expenses were virtually stable.

Depreciation and amortisation. Depreciation charges on real estate and equipment were lower in 2010, as a result of which depreciation and amortisation decreased by 11 per cent., dropping to €119 million, compared to €133 million in 2009.

Value adjustments. The economic recovery of 2010 was reflected in developments in bad debt costs at domestic retail banking, which dropped compared to 2009. Value adjustments fell by 50 per cent. to €358 million, compared to €721 million in 2009. This corresponds to 13 (2009: 26) basis points of average lending, which was closer to the long-term average of 11 basis points (based on the period 2000 to 2009). Of total lending, 69 per cent. is comprised of home mortgage loans. Bad debt costs on home mortgage loans were low at 4 basis points.

Taxation. Taxation increased in 2010 by €181 million to €475 million compared to €294 million in 2009.

Net profit. Net profit increased by 52 per cent. to €1,843 million in 2010 compared to €1,213 million in 2009.

Wholesale banking and international retail banking

The following table sets forth certain summarised financial information for Rabobank Group's wholesale banking and international retail banking business for the years indicated:

	Year ended 31 December		
(in millions of euro)	2011	2010	2009
Interest	2,957	2,813	2,955
Commission	586	460	488
Other results	207	306	(63)
Total income	3,750	3,579	3,380
Staff costs	1,116	1,020	998
Other administrative expenses	847	811	691
Depreciation and amortisation	109	108	94
Operating expenses	2,072	1,939	1,783
Gross result	1,678	1,640	1,597
Value adjustments	686	597	940
Operating profit before taxation	992	1,043	657
Taxation	211	269	91
Net profit	781	774	566

Year ended 31 December 2011 compared to year ended 31 December 2010

Total income. Total income at Rabobank International increased by 4.8 per cent. to €3,750 million in 2011 compared to €3,579 million in 2010, due chiefly to a rise in interest income.

Interest. Interest income rose by 5 per cent. to €2,957 million in 2011, compared to €2,813 million in 2010. Growth in lending contributed to an increase in interest income.

Commission. Commission increased by 27 per cent. to €586 million compared to €460 million in 2010.

Other results. Other results were favourable in 2010 because of the sale of part of the equity interest in Yes Bank. In 2011 other results fell by 32 per cent. to €207 million, compared to €306 million in 2010.

Operating expenses. Rabobank International's total operating expenses increased by 7 per cent. to €2,072 million, compared to €1,939 million in 2010.

Staff costs. Periodic salary increases and an increase in the employee base of 4 per cent. caused staff costs to rise to €1,116 million in 2011, compared to €1,020 in 2010.

Other administrative expenses. Acquisitions in 2010 resulted in extra integration expenses in 2011. Higher information technology and marketing expenses were a factor in the 4 per cent. rise in other administrative expenses to €847 million in 2011, compared to €811 million in 2010.

Depreciation and amortisation. Depreciation and amortisation stood at €109 million, compared to €108 million in 2010.

Value adjustments. Value adjustments at Rabobank International were up 15 per cent. in 2011, reaching €686 million, compared to €597 million in 2010, due, in part, to additional allocations to the provision for loan losses at ACCBank. Bad debt costs amounted to 73 (2010: 64) basis points of average lending, which is higher than the long-term average of 54 basis points (based on the period 2001 to 2010).

Taxation. Taxation decreased in 2011 by €58 million to €211 million, compared to €269 million in 2010.

Net profit. Net profit increased by 1 per cent. to €781 million in 2011 compared to €774 million in 2010.

Year ended 31 December 2010 compared to year ended 31 December 2009

Total income. Total income at Rabobank International increased to €3,579 million in 2010 compared to €3,380 million in 2009, due chiefly to a rise in other results. The increase was also partly attributable to the depreciation of the euro over the period.

Interest. Interest income fell by 5 per cent. to €2,813 million in 2010, compared to €2,955 million in 2009. Global Financial Markets benefited from developments in the yield curve in 2009, which boosted interest income in 2009.

Commission. Commission fell by 6 per cent. to €460 million compared to €488 million in 2009.

Other results. The rise in other results by €369 million to €306 million in 2010, compared to a negative amount of €63 million in 2009, was attributable in part to a gain of €152 million on the sale of some of the equity interest in Indian-based Yes Bank and to higher trading income at Global Financial Markets.

Operating expenses. Rabobank International's total operating expenses increased by 9 per cent. to €1,939 million, compared to €1,783 million in 2009. The increase was partly attributable to the depreciation of the euro over the period.

Staff costs. Owing in part to an increase in headcount, staff costs increased 2 per cent. to €1,020 million, compared to €998 million in 2009. This increase related to the acquisition of three banks in California and the broadening of activities at Bank BGZ.

Other administrative expenses. Higher consulting and administrative expenses led to a 17 per cent. rise in other administrative expenses to €811 million in 2010, compared to €691 million in 2009.

Depreciation and amortisation. Due to higher amortisation changes on software, depreciation and amortisation charges rose by 15 per cent. to €108 million, compared to €94 million in 2009.

Value adjustments. The upturn in the economy and good credit risk management resulted in a drop in value adjustments at Rabobank International, which decreased 36 per cent. to €597 million, compared to €940 million in 2009. The improved economy resulted in a sharp drop in bad debt costs at the wholesale banking division in particular. Owing in part to the continued recession in Ireland, the decline in value adjustments was more limited at the international retail banking division. Bad debt costs amounted to 64 (2009: 105) basis points of average lending, which was higher than the long-term average of 52 basis points (based on the period 2000 to 2009).

Taxation. Taxation increased in 2010 by €178 million to €269 million compared to €91 million in 2009.

Net profit. Net profit increased by 37 per cent. to €774 million in 2010 compared to €566 million in 2009.

Asset management

The following table sets forth certain summarised financial information for Rabobank Group's asset management business for the years indicated:

	Year ended 31 December		
(in millions of euro)	2011	2010	2009
Interest	163	166	104
Commission	979	995	757
Other results	2	47	123
Total income	1,144	1,208	984
Staff costs	593	564	553
Other administrative expenses	311	287	288
Depreciation and amortisation	114	117	109
Operating expenses	1,018	968	950
Gross result	126	240	34
Value adjustments	(1)	2	4
Operating profit before taxation	127	238	30
Taxation	65	71	17
Net profit	62	167	13

Year ended 31 December 2011 compared to year ended 31 December 2010

Total income. Total income from asset management was 5 per cent. lower in 2011 than in 2010, at €1,144 million compared to €1,208 million in 2010 mainly due to lower commission income and lower other results.

Interest. Total interest income fell by 2 per cent. in 2011, at €163 million compared to €166 million in 2010 mainly due to higher interest expenses on customers.

Commission. Commission was down 2 per cent. to €979 million in 2011, compared to €995 million in 2010, due to market conditions and lower commissions at Transtrend, a Robeco subsidiary.

Other results. The sale of Sarasin contributed to the €45 million fall in other results to €2 million, compared to €47 million in 2010.

Operating expenses. Total operating expenses increased by 5 per cent. in 2011, rising to €1,018 million, compared to €968 million in 2010 mainly due to higher staff costs and higher other operating expenses.

Staff costs. Staff costs were 5 per cent. higher, rising to €593 million in 2011, compared to €564 million in 2010 in part due to an increase in the number of employees.

Other administrative expenses. Other administrative expenses grew by 8 per cent. to €311 million in 2011, compared to €287 million in 2010 in part due to restructuring provision and higher consultants fees.

Depreciation and amortisation. Due to lower amortisation charges of intangible assets, depreciation and amortisation charges decreased by 2 per cent. to €114 million in 2011 compared to €117 million in 2010.

Value adjustments. The total amount of value adjustments for asset management operations was minus €1 million in 2011 compared to €2 million in 2010.

Taxation. Taxation decreased in 2011 by €6 million to €65 million compared to €71 million in 2010.

Net profit. Net profit decreased by €105 million to €62 million in 2011.

Year ended 31 December 2010 compared to year ended 31 December 2009

Total income. On the back of higher commissions and higher interest income, total income from asset management was 23 per cent. higher in 2010, at €1,208 million compared to €984 million in 2009. For both Robeco's core business and its subsidiaries, management fees were higher than in 2009.

Interest. Total interest income was 60 per cent. higher in 2010, at €166 million compared to €104 million in 2009, due in particular to growth in Robeco's interest income.

Commission. Commission increased by 31 per cent. to €995 million in 2010, compared to €757 million in 2009. Asset management fees were higher than in 2009 for both Robeco's core business and its subsidiaries Transtrend and Harbor. The increase in asset management fees is a direct result of the average growth in managed assets and Transtrend's higher performance-related income.

Other results. Sarasin generated less income from trading activities in 2010 and contributed to the €76 million drop in other results to €47 million, compared to €123 million in 2009.

Operating expenses. Sarasin's operating expenses increased as a result of the appreciation of the Swiss franc. Total operating expenses at group level were 2 per cent. higher in 2010, rising to €968 million in 2010, compared to €950 million in 2009, due in part to cost control measures at Robeco.

Staff costs. Staff costs were 2 per cent. higher, rising to €564 million in 2010, compared to €553 million in 2009.

Other administrative expenses. Other administrative expenses were relatively constant at €287 million in 2010, compared to €288 million in 2009.

Depreciation and amortisation. Due to higher amortisation of intangible assets, depreciation and amortisation charges rose by 7 per cent. to €117 million in 2010 compared to €109 million in 2009.

Value adjustments. The total amount of value adjustments for asset management operations was €2 million in 2010 compared to €4 million in 2009.

Taxation. Taxation increased in 2010 by €54 million to €71 million compared to €17 million in 2009.

Net profit. Net profit increased by €154 million to €167 million in 2010.

Leasing

The following table sets forth certain summarised financial information for Rabobank Group's leasing business for the years indicated:

	Year ended 31 December		
(in millions of euro)	2011	2010	2009
Interest	778	658	590
Commission	76	83	59
Other results	465	440	377
Total income	1,319	1,181	1,026
Staff costs	455	416	375
Other administrative expenses	269	244	206
Depreciation and amortisation	50	40	35
Operating expenses	774	700	616
Gross result	545	481	410
Value adjustments	144	214	300
Operating profit before taxation	401	267	110
Taxation	97	66	(2)
Net profit	304	201	112

Year ended 31 December 2011 compared to year ended 31 December 2010

Total income. De Lage Landen's total income increased by 12 per cent., rising to €1,319 million in 2011, compared to €1,181 million in 2010.

Interest. Interest income was up by 18 per cent. to €778 million, compared to €658 million in 2010, due to active portfolio management.

Commission. De Lage Landen paid higher commissions in 2011 to the local Rabobanks for new lease referrals. As a result, commission income fell by 9 per cent. to €76 million, compared to €83 million in 2010.

Other results. Increases in residual value gains on lease products caused an increase in other results by 6 per cent. to €465 million, compared to €440 million in 2010.

Operating expenses. Total operating expenses at De Lage Landen rose by 11 per cent. to €774 million in 2011, compared to €700 million in 2010.

Staff costs. Staff costs were up €39 million, reaching €455 million, compared to €416 million in 2010, because of periodic salary increases and a larger workforce on average. The headcount increased by 3 per cent. to 4,964 in 2011 compared to 4,835 in 2010.

Other administrative expenses. Other administrative expenses were up 10 per cent. to €269 million, compared to €244 million in 2010.

Depreciation and amortisation. The depreciation and amortisation item increased by 25 per cent. to €50 million, compared to €40 million in 2010, due, in part, to the accelerated amortisation of self-developed software.

Value adjustments. The credit quality of the portfolio improved owing partly to strict risk management. This helped to reduce De Lage Landen's value adjustments, which fell by 33 per cent. to €144 million, compared to €214 million in 2010. Expressed in basis points of average lending, bad debt costs stood at 58 (2010: 90) basis points. Bad debt costs are now 11 basis points below the long-term average of 69 basis points (based on the period 2001 to 2010).

Taxation. Taxation increased in 2011 by €31 million to €97 million compared to €66 million in 2010.

Net profit. Net profit increased 51 per cent. to €304 million in 2011 compared to €201 million in 2010.

Year ended 31 December 2010 compared to year ended 31 December 2009

Total income. De Lage Landen's total income increased by 15 per cent., rising to €1,181 million in 2010, compared to €1,026 million in 2009. Approximately one third of the increase was due to depreciation of the euro over the period.

Interest. Active portfolio management led to a higher interest margin on new contracts. This, combined with growth in the portfolio, raised De Lage Landen's interest income by 12 per cent. to €658 million, compared to €590 million in 2009.

Commission. Contract renewals caused commission to rise by 41 per cent. to €83 million in 2010, compared to €59 million in 2009.

Other results. Other results increased by 17 per cent. to €440 million in 2010, compared to €377 million in 2009. The increase in other results was attributable to higher residual value gains on the second-hand car market.

Operating expenses. Total operating expenses at De Lage Landen rose by 14 per cent. to €700 million in 2010, compared to €616 million in 2009. Currency effects accounted for about one third of this rise. After adjustment, a moderate increase in operating expenses remained.

Staff costs. In addition to the depreciation of the euro over the period, the 2 per cent. increase in headcount to 4,835 in 2010 compared to 4,734 in 2009 contributed to the rise in staff costs by 11 per cent. to €416 million in 2010, compared to €375 million in 2009.

Other administrative expenses. Other administrative expenses were up 18 per cent. to €244 million, compared to €206 million in 2009.

Depreciation and amortisation. The depreciation and amortisation item increased by 14 per cent. to €40 million in 2010, compared to €35 million in 2009, due to higher amortisation charges of software.

Value adjustments. Value adjustments were down €86 million to €214 million at De Lage Landen in 2010 due to a tight risk management policy and supported by the tentative economic recovery. Expressed in basis points of average lending, bad debt costs stood at 90 basis points (2009: 132 basis points), which is above the long-term average of 63 basis points (based on the period 2000 to 2009).

Taxation. Taxation increased in 2010 by €68 million to €66 million compared to a negative amount of €2 million in 2009.

Net profit. Net profit increased 79 per cent. to €201 million in 2010 compared to €112 million in 2009.

Real estate

The following table sets forth certain summarised financial information for Rabobank Group's real estate business for the years indicated:

	Year ended 31 December		
(in millions of euro)	2011	2010	2009
Interest	282	253	182
Commission	41	26	44
Other results	207	214	283
Total income	530	493	509
Staff costs	200	193	196
Other administrative expenses	124	145	164
Depreciation and amortisation	20	29	37
Operating expenses	344	367	397
Gross result	186	126	112
Value adjustments	129	63	22
Operating profit before taxation	57	63	90
Taxation	17	21	22
Net profit	40	42	68

Year ended 31 December 2011 compared to year ended 31 December 2010

Total income. During 2011, total income in Rabobank Group's real estate business increased by 8 per cent. to €530 million in 2011 compared to €493 million in 2010 due to higher interest and commission income.

Interest. Interest income increased by €29 million to €282 million in 2011 compared to €253 million in 2010, due to an increase in lending and higher margins on new loans and renewals.

Commission. Commission increased by 58 per cent. to €41 million, compared to €26 million in 2010, due to new loans and renewals, particularly in the first half of 2011, and higher commissions at Bouwfonds REIM.

Other results. The increase in revenue from property development, especially in countries other than The Netherlands, was largely offset by impairment losses on available land positions in The Netherlands. Other results fell by 3 per cent. to €207 million in 2011, compared to €214 million in 2010.

Operating expenses. Total operating expenses in Rabobank Group's real estate business declined by 6 per cent. in 2011, falling to €344 million, compared to €367 million in 2010.

Staff costs. Owing, in part, to an increase in headcount, staff costs increased by 4 per cent. to €200 million, compared to €193 million in 2010.

Other administrative expenses. The drop in other administrative expenses was the main factor in lower operating expenses. Other administrative expenses were down 14 per cent. to €124 million in 2011, compared to €145 million in 2010.

Depreciation and amortisation. Depreciation and amortisation decreased by €9 million to €20 million in 2011 compared to €29 million in 2010.

Value adjustments. Value adjustments stood at €129 million in 2011, compared to €63 million in 2010, which corresponds to 69 (2010: 36) basis points of average lending. The further decline in the Dutch property market led to an increase in value adjustments at Rabo Real Estate Group.

Taxation. Taxation decreased by €4 million to €17 million in 2011 compared to €21 million in 2010.

Net profit. Net profit decreased by €2 million to €40 million in 2011 compared to €42 million in 2010.

Year ended 31 December 2010 compared to year ended 31 December 2009

Total income. During 2010, total income in Rabobank Group's real estate business decreased by 3 per cent. to €493 million in 2010 compared to €509 million in 2009.

Interest. Interest income increased by €71 million to €253 million in 2010 compared to €182 million in 2009, due to higher margins on new loans and contract renewals, favourable developments in interest rates and volume growth.

Commission. Commission fell by 41 per cent. to €26 million in 2010, compared to €44 million in 2009. Commissions were high in 2009 because of a one-off payment to FGH Bank as a result of the repurchase of debt securities.

Other results. Owing in particular to the fact that Bouwfonds Property Development completed lower priced homes on average, other results dropped to €214 million in 2010, compared to €283 million in 2009.

Operating expenses. Total operating expenses in Rabobank Group's real estate business declined by 8 per cent. in 2010, falling to €367 million, compared to €397 million in 2009. The drop in other administrative expenses was the main factor in the lower operating expenses.

Staff costs. Staff costs fell by 2 per cent. to €193 million in 2010, compared to €196 million in 2009.

Other administrative expenses. The drop in other administrative expenses was the main factor in lower operating expenses. Other administrative expenses were down 12 per cent. to €145 million in 2010, compared to €164 million in 2009, due to the cost-cutting programme initiated in 2010.

Depreciation and amortisation. Depreciation and amortisation decreased by €8 million to €29 million in 2010 compared to €37 million in 2009.

Value adjustments. Value adjustments stood at €63 million in 2010, compared to €22 million in 2009, which corresponds to 36 (2009: 14) basis points of average lending. Despite the tentative recovery that started in mid-2009, the Dutch property market continued to suffer the consequences of the credit crunch. Bad debt costs were up at Rabo Real Estate Group because of the late-cycle character of the business.

Taxation. Taxation decreased by €1 million to €21 million in 2010 compared to €22 million in 2009.

Net profit. Net profit decreased by €26 million to €42 million in 2010 compared to €68 million in 2009.

Loan portfolio

Economic recovery slowed and then ceased in mid-2011 owing to uncertainty surrounding the ability of a number of European governments to meet their debt obligations. This again suppressed consumer confidence, which had not been very strong to begin with, and affected the manufacturing industry as well. Compounded by the levelling off of world trade and lagging government spending, Dutch economic growth slowed down in the second half of 2011. Most other countries where Rabobank operates also suffered from slower growth and a poorer outlook. In these difficult circumstances, the loans to customers item increased no more than 3 per cent., or €12.1 billion, to €468.1 billion at 31 December 2011 from €455.9 billion at 31 December 2010. The private sector loan portfolio increased by €12 billion to €448.3 billion at 31 December 2011, an increase of 3 per cent. from €436.3 billion at 31 December 2010. Loans to private individuals, primarily for mortgage finance, was up €4.3 billion, or 2 per cent., to €212.3 billion at

31 December 2011. Residential mortgage loans are granted by local Rabobanks and by Obvion. These loans are secured on underlying properties and have maturities up to 30 years. Loans to the trade, industry and services sector increased by €0.2 billion to €147.9 billion at 31 December 2011. Lending to the food and agri sector increased by €7.6 billion to €88.2 billion at 31 December 2011, a 9 per cent. increase.

The following table shows a breakdown of Rabobank Group's total lending outstanding to the private sector at 31 December 2011 and 31 December 2010, by category of borrower:

	At 31 December			
(in millions of euro and as percentage of total private sector lending)	2011		2010	
Private individuals	212,269	47%	208,005	48%
Trade, industry and services sector	147,877	33%	147,669	34%
Food and agri sector	88,191	20%	80,618	18%
Total private sector lending	448,337	100%	436,292	100%

The maturities of loans granted by Rabobank Group vary from overdraft facilities to 30-year term loans.

The following table provides a breakdown of the remaining maturity of Rabobank Group's total loans to customers (public and private sector) and professional securities transactions at 31 December 2011 and 31 December 2010:

	At 31 December			
(in millions of euro and as percentage of total loans to customers)	2011		2010	
Less than 1 year	111,464	24%	108,260	24%
More than 1 year	356,621	76%	347,681	76%
Total loans to customers	468,085	100%	455,941	100%

Funding

At 31 December 2011, amounts due to customers of Rabobank Group were €329.9 billion, an increase of 10 per cent. compared to 31 December 2010. The balance held in savings deposits increased by €9.1 billion to €140.0 billion, an increase of 7 per cent. Other amounts due to customers (including current accounts, repurchase agreements and time deposits) increased by €22.0 billion to €189.9 billion at 31 December 2011, largely due to an increase in term deposits. Term deposits increased by €12.1 billion to €58.9 billion. At 31 December 2011, debt securities in issue (including certificates of deposit, commercial paper and bonds) totalled €213.4 billion compared to €196.8 billion at 31 December 2010. Savings deposits (except fixed-time deposits, from 1 month to 20 years) generally bear interest at rates that Rabobank Nederland can unilaterally change.

The following table shows Rabobank Group's sources of funding by source at 31 December 2011, 31 December 2010 and 31 December 2009:

	Year ended 31 December		
(in millions of euro)	2011	2010	2009
Savings deposits	140,028	130,928	121,373
Other due to customers	189,864	167,833	164,965
Debt securities in issue	213,441	196,819	171,752
Other financial liabilities at fair value through profit or loss	25,889	29,867	27,319
Total	569,222	525,447	485,409

Rabobank Group also receives funds from the interbank and institutional market. Rabobank Group's total due to other banks were €26.3 billion at 31 December 2011, a 12 per cent. increase from €23.5 billion at 31 December 2010.

Other financial assets*

Other financial assets comprise debt securities and other assets. Other financial assets are subdivided into the following categories:

- Trading financial assets;
- Other financial assets at fair value through profit or loss;
- Available-for-sale financial assets; and
- Held-to-maturity assets.

	Other financial assets at 31 December 2011				
(in millions of euro)	Trading	Other at fair value through profit or loss	Available-for-sale	Held-to-maturity	Total
Purchased loans	2,091	—	—	—	2,091
Short-term government securities	313	—	1,993	—	2,306
Government bonds	2,150	412	40,604	96	43,262
Other debt securities	1,788	5,622	8,576	13	15,999
Total debt securities	6,342	6,034	51,173	109	63,658
Venture capital		571	—	—	571
Equity instruments	1,770	410	757	—	2,937
Total other assets	1,770	981	757	—	3,508
Total	8,112	7,015	51,930	109	67,166
Category 1[1]	4,256	1,013	45,506	—	50,775
Category 2[1]	3,452	4,506	6,197	—	14,155
Category 3[1]	404	1,496	227	—	2,127

Note:

(1) Category 1: quoted prices in active markets for identical assets or liabilities; category 2: inputs other than quoted prices included in category 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); category 3: inputs for the asset or liability not based on observable market data.

	Other financial assets at 31 December 2010				
(in millions of euro)	Trading	Other at fair value through profit or loss	Available-for-sale	Held-to-maturity	Total
Purchased loans	2,600	—	—	—	2,600
Short-term government securities	1,292	—	1,744	—	3,036
Government bonds	2,351	1,018	42,963	208	46,540
Other debt securities	3,982	7,535	9,652	10	21,179
Total debt securities	10,225	8,553	54,359	218	73,355
Venture capital	—	608	—	—	608
Equity instruments	2,762	427	1,099	—	4,288
Total other assets	2,762	1,035	1,099	—	4,896
Total	12,987	9,588	55,458	218	78,251
Category 1[1]	6,842	2,577	49,547	—	58,966
Category 2[1]	5,618	4,951	5,689	—	16,258
Category 3[1]	527	2,060	222	—	2,809

Credit related commitments*

Credit granting liabilities represent the unused portions of funds authorised for the granting of credit in the form of loans, guarantees, letters of credit and other lending related financial instruments. Rabobank's credit risk exposure from credit granting liabilities consists of potential losses amounting to the unused portion of the authorised funds. The total expected loss is lower than the total of unused funds, however, because credit granting liabilities are subject to the clients in question continuing to meet specific standards of creditworthiness. Guarantees represent irrevocable undertakings that, provided certain conditions are met, Rabobank will make payments on behalf of clients if they are unable to meet their financial obligations to third parties. Rabobank also accepts credit granting liabilities in the form of credit facilities made available to ensure that clients' liquidity requirements can be met, but which have not yet been drawn upon.

	At 31 December		
(in millions of euro)	2011	2010	2009
Guarantees	10,519	10,084	10,117
Letters of credit	5,487	4,910	3,887
Credit granting liabilities	34,522	34,670	30,420
Other contingent liabilities	0	66	240
Total credit related and contingent liabilities	50,528	49,730	44,664
Revocable credit facilities	44,649	41,229	39,890
Total credit related commitments	95,177	84,554	84,554

Capital adequacy

The Dutch Central Bank (*De Nederlandsche Bank N.V.*), in conjunction with other bank supervisors, regards the risk asset ratio developed by the Basel Committee as a key supervisory tool and sets individual ratio requirements for banks in the Netherlands. This ratio was designed to meet the dual objectives of strengthening the soundness and stability of the international banking system and of creating a fair and consistent supervisory framework for international banks by means of an international convergence of capital measurement and capital standards. The technique involves the application of risk weightings to assets (which for this purpose includes both balance sheet assets and off-balance sheet items) to reflect the credit and other risks associated with broad categories of transactions and counterparties.

On 1 January 2008, Rabobank Group adopted the Advanced Internal Rating Based ("**AIRB**") Approach to the majority of its significant portfolios that contain credit risk in accordance with the approvals granted by the Dutch Central Bank, and various local regulators, as required. However, there remains a small portion of the portfolio that is subject to the Standardised Approach ("**SA**"). Individually, these portfolios are relatively small or are related to new acquisitions in companies that themselves did not yet follow the AIRB Approach.

The Tier 1 ratio and the BIS ratio are the most common ratios used in the financial world to measure solvency. The Tier 1 ratio expresses the relationship between Tier 1 capital and total risk-weighted assets. At 31 December 2011, Rabobank Group's Tier 1 ratio stood at 17.0 per cent. (year-end 2010; 15.7 per cent.). The minimum requirement set by the external supervisors is 4 per cent. The high Tier 1 ratio is one of the reasons for Rabobank Group's high credit rating.

Risk-weighted assets were up €4.0 billion to €223.6 billion at 31 December 2011 compared to €219.6 billion 31 December 2010. Retained earnings were a contributing factor in the €3.5 billion increase in Tier 1 capital to €38.0 billion at 31 December 2011 compared to 31 December 2010. See "Regulation of Rabobank Group" for further discussion of the Basel standards.

The BIS ratio is calculated by dividing the total of Tier 1 and Tier 2 capital by the total of risk-weighted assets. At 31 December 2011, the BIS ratio stood at 17.5 per cent. (year-end 2010: 16.3 per cent.). This exceeds the minimum requirement set by the external supervisors of 8.0 per cent.

The following table sets forth the risk-weighted capital ratios of Rabobank Group at 31 December 2011, 31 December 2010 and 31 December 2009:

Development in capital and solvency ratios

	At 31 December		
(in millions of euro, except percentages)	2011	2010	2009
Tier 1 capital	37,964	34,461	32,152
Tier 1 ratio	17.0%	15.7%	13.8%
Qualifying capital	39,088	35,734	32,973
BIS ratio	17.5%	16.3%	14.1%

Selected statistical information*

The following section discusses selected statistical information regarding Rabobank Group's operations. Unless otherwise indicated, average balances are calculated based on monthly balances and geographic data are based on the domicile of the customer. See "**Results of operations**" for an analysis of fluctuations in Rabobank Group's results between periods.

Return on equity and assets

The following table presents information relating to Rabobank Group's return on equity and assets for each of the past five years:

(in percentages)	2011	2010	2009	2008	2007
Return on assets[(1)]	0.38	0.42	0.37	0.47	0.45
Return on equity[(2)]	6.17	5.60	6.36	8.67	8.81
Equity to assets ratio[(3)]	6.19	6.05	5.82	5.47	5.20

Notes:
(1) Net profit as a percentage of total average assets, based on month-end balances.
(2) Net profit as a percentage of average equity, based on quarter-end balances.
(3) Average equity divided by average total assets, based on quarter-end balances.

The following table presents information relating to payments on Rabobank Member Certificates for each of the past five years:

(in millions of euro, except percentages)	2011	2010	2009	2008	2007
Outstanding Rabobank Member Certificates[1]	6,551	6,368	6,275	6,180	5,948
Payments	315	303	318	316	299
Average yield	4.81%	4.76%	5.07%	5.11%	5.03%

Note:
(1) Average Outstanding Rabobank Member Certificates based on month-end balances.

Loan portfolio

Rabobank Group's loan portfolio consists of loans, overdrafts, assets subject to operating leases, finance lease receivables to governments, corporations and consumers and reverse repurchase agreements. The following table analyses Rabobank Group's loan portfolio by sector at 31 December 2011, 31 December 2010 and 31 December 2009:

	At 31 December			
(in millions of euro)	2011	2010 (restated)	2010	2009
Private sector lending	448,337	436,292	436,292	415,235
Government clients	3,557	5,602	5,602	3,936
Securities transactions due from private sector lending	7,026	7,840	7,840	8,368
Interest rate hedges (hedge accounting)	9,165	6,207	6,207	5,818
Total loans to customers	468,085	455,941	455,941	433,357
Value adjustments in loans to customers	(3,089)	(2,610)	(3,845)	(4,399)
Reclassified assets	5,588	6,954	6,954	8,135
Gross loans to customers	465,586	451,597	452,832	429,621

The table below sets forth a geographic breakdown of Rabobank Group's loan portfolio at 31 December 2011, 31 December 2010 and 31 December 2009:

	At 31 December		
(in millions of euro)	2011	2010	2009
The Netherlands	1,764	1,847	1,698
Other countries in the EU zone	771	484	482
North America	484	510	469
Latin America	7	11	44
Asia	465	2,603	1,073
Australia	12	10	7
Other countries	54	137	163
Total government clients	3,557	5,602	3,936
The Netherlands	332,489	320,446	311,964
Other countries in the EU zone	38,540	38,283	37,259
North America	40,876	41,245	36,194
Latin America	10,950	9,739	8,837
Asia	5,672	7,925	6,112
Australia	19,666	18,555	14,837
Other countries	144	99	32
Total private sector lending	448,337	436,292	415,235

Risk elements*

Breakdown of assets and liabilities by repayment date*

The table below shows Rabobank's assets and liabilities grouped by the period remaining between the reporting date and the contract repayment date. These amounts correspond with the statement of financial position.

	At 31 December 2011					
Payments due by period (in millions of euro)	On demand	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Cash and cash equivalents	64,811	5,617	2	0	0	70,430
Due from other banks	9,913	10,369	1,833	2,257	849	25,221
Trading financial assets	1,757	776	819	2,693	2,067	8,112
Other financial assets at fair value through profit or loss	0	28	1,013	1,763	4,211	7,015
Derivative financial instruments	325	4,671	7,621	16,863	29,493	58,973
Loans to customers	27,068	53,697	30,699	83,716	272,905	468,085
Available-for-sale financial assets	2	2,832	2,153	10,308	36,635	51,930
Held-to-maturity financial assets	0	44	13	52	0	109
Deferred assets	—	—	101	—	894	995
Other assets (excluding employee benefits)	1,089	4,753	1,446	2,150	862	10,300
Total financial assets	104,965	82,787	45,700	119,802	347,916	701,170
Due to other banks	943	19,080	1,822	3,561	853	26,259
Due to customers	219,510	70,753	12,064	13,569	13,996	329,892
Debt securities in issue	0	52,065	50,200	73,976	37,200	213,441
Derivative financial instruments and other trade liabilities	10,246	4,463	4,690	18,689	26,843	64,931
Other debts (incl. current tax liabilities)	1,335	5,484	552	702	13	8,086
Other financial liabilities at fair value through profit or loss	1,265	1,217	3,392	10,368	9,647	25,889
Deferred tax liabilities	—	—	47	—	846	893
Subordinated debt	—	40	—	448	1,925	2,413
Total financial liabilities	233,299	153,102	72,767	121,313	91,323	671,804
Net liquidity surplus/(deficit)	(128,334)	(70,315)	(27,067)	(1,511)	256,593	29,366

The above breakdown was compiled on the basis of contract information, without taking into account actual movements in items in the statement of financial position. This is taken into account, however, for the day-to-day management of liquidity risk. Customer savings are an example. By contract, they are payable on demand. However, experience has shown that this is a stable source of financing at the long-term disposal of the bank. The regulations of the supervisory authority are also factored in. Based on the liquidity criteria of the Dutch Central Bank, Rabobank had a substantial liquidity surplus at 31 December 2011 and throughout 2011. The average liquidity surplus was 40 per cent. of the total liquidity requirement. The surplus at 31 December 2011 was 27 per cent.

The liquidity requirements to meet payments under guarantees and stand-by letters of credit are considerably lower than the size of the liabilities, as Rabobank does not generally expect that third parties to such arrangements will draw funds. The total open position relating to contractual obligations to provide credit does not necessarily represent Rabobank's future cash resource needs, as many of these obligations will lapse or terminate without financing being required.

Interest rate sensitivity

The key indicators used for managing the interest rate risk are the Basis Point Value, the Equity at Risk and the Income at Risk.

The Basis Point Value ("**BPV**") is the absolute loss of market value of equity after a parallel increase of the yield curve with 1 basis point. In 2011, the BPV did not exceed €25 million.

Long-term interest rate risk is measured and managed using the Equity at Risk concept. Equity at Risk is the sensitivity of Rabobank Group equity's market value to interest rate fluctuations. A 200 basis point overnight upward parallel shock of the curve will result in a 5 per cent. drop in market value of equity.

Short-term interest rate risk is monitored using the Income at Risk concept. This is the amount of interest income that is put at risk on an annual basis, based on certain interest rate scenarios. If interest rates were to gradually decrease with a maximum of 200 basis points over a one-year period, the interest income would decrease by €191 million.

Cross-border outstandings*

Cross-border outstandings are defined as loans (including accrued interest), acceptances, interest-earning deposits with other banks, other interest-earning investments and any other monetary assets which are denominated in a currency other than the functional currency of the office or subsidiary where the extension of credit is booked. To the extent that the material local currency outstandings are not hedged or are not funded by local currency borrowings, such amounts are included in cross-border outstandings.

At 31 December 2011, there were no cross-border outstandings exceeding 1 per cent. of total assets in any country where current conditions give rise to liquidity problems which are expected to have a material impact on the timely repayment of interest or principal.

The following table analyses cross-border outstandings at the end of each of the last three years, stating the name of the country and the aggregate amount of cross-border outstandings in each foreign country where such outstandings exceeded 1 per cent. of total assets, by type of borrower:

(in millions of euro)	Banks	Public authorities	Private sector	Total
At 31 December 2011				
France	1,629	6,305	3,686	11,620
Germany	2,809	7,335	6,237	16,381
United Kingdom	8,312	3,020	10,062	21,394
Poland	149	2,440	6,562	9,151
United States	4,446	10,556	52,424	67,426
Brazil	1,217	921	6,423	8,561
Australia	433	423	14,614	15,470
At 31 December 2010				
France	4,398	12,151	3,368	19,917
Germany	4,054	9,441	5,955	19,450
Ireland	228	177	6,880	7,285
United Kingdom	7,650	440	10,377	18,467
Poland	70	2,970	5,982	9,022
United States	6,685	6,876	55,551	69,112
Brazil	955	1,040	5,267	7,262
Japan	2,918	5,207	210	8,335
Australia	824	888	14,363	16,075
At 31 December 2009				
France	2,702	1,889	4,735	9,326
Germany	3,923	2,821	5,037	11,781
Ireland	499	346	7,958	8,803
United Kingdom	11,732	1,858	11,212	24,802
Poland	142	1,915	5,375	7,432
United States	7,437	6,444	48,494	62,375
Australia	1,050	412	11,943	13,405

Diversification of loan portfolio*

One of the principal factors influencing the quality of the earnings and the loan portfolio is diversification of loans, e.g. by industry or by region. Rabobank Group uses the, North America Industry Classification System ("**NAICS**") as the leading system to classify industries. NAICS distinguishes a large number of sectors, subsectors and industries.

The following table is based on data according to NAICS and represents the loan portfolio of Rabobank Group loans by main sector at 31 December 2011:

	At 31 December 2011		
(in millions of euro)	On balance	Off balance	Total
Grain and oilseeds	16,609	649	17,258
Animal protein	15,778	328	16,106
Dairy	15,580	154	15,734
Fruit and vegetables	9,689	148	9,837
Farm inputs	5,509	148	5,657
Food retail	5,296	205	5,501
Beverages	3,905	47	3,952
Flowers	3,406	9	3,415
Sugar	2,075	104	2,179
Miscellaneous crop farming	1,982	2	1,984
Other	8,362	119	8,481
Total private sector lending to food and agri	88,191	1,913	90,104
Lessors of real estate	31,026	81	31,107
Finance and insurance (except banks)	21,048	1,559	22,607
Wholesale	17,573	3,544	21,117
Activities related to real estate	8,334	1,147	9,481
Manufacturing	8,055	2,239	10,294
Transportation and warehousing	7,052	264	7,316
Construction	7,030	824	7,854
Healthcare and social assistance	5,750	35	5,785
Professional, scientific and technical services	5,019	201	5,220
Retail (except food and beverages)	4,325	662	4,987
Utilities	2,215	474	2,689
Information and communication	1,681	82	1,763
Arts entertainment and leisure	1,306	22	1,328
Other	27,463	2,682	30,145
Total private sector lending to trade, manufacturing and services	147,877	13,816	161,693
Private individuals	212,269	265	212,589
Total private sector lending	448,337	15,994	464,386

Apart from due from other banks (€25.2 billion at 31 December 2011 which is 3 per cent. of total assets), Rabobank's only significant risk concentration is in the portfolio of loans to private individuals which accounted for 47 per cent. of the total loan portfolio at 31 December 2011. This portfolio has a relatively low risk profile as evidenced by the actual losses incurred in previous years. The proportion of the total loan portfolio attributable to the food and agri sector was 20 per cent. in 2011. The proportion of the total loan portfolio attributable to trade, industry and services was 33 per cent. at 31 December 2011. Loans to trade, industry and services and loans to the food and agri sector are both spread over a wide range of industries in many different countries. None of these shares represents more than 10 per cent. of the total loan portfolio.

Impaired loans

Loans for which an allowance has been made are called impaired loans. At 31 December 2011, these loans amounted to €9,958 million (2010: €8,049 million). The allowance for loan losses amounted to €3,222 million (2010: €2,779 million), which corresponds to a 32 per cent. (2010: 35 per cent.) coverage. Over and above this allowance, additional coverage is raised through collateral and other securities. Rabobank Group forms allowances at an early stage and applies the one-obligor principle, which means that the exposure to all counterparties belonging to the same group is taken into account. In addition, the full exposure to a client is qualified as impaired, even if adequate coverage is available for part of the exposure in the form of security or collateral. At 31 December 2011, impaired loans corresponded to 2.2 per cent. (2010: 1.8 per cent.) of the private sector loan portfolio.

The following table provides an analysis of Rabobank Group's impaired loans by business at 31 December 2011, 31 December 2010 and 31 December 2009:

	At 31 December			
(in millions of euro)	2011	2010 (restated)	2010	2009
Domestic retail banking	4,559	3,577	4,462	4,305
Wholesale banking and international retail banking	3,493	2,649	2,999	3,559
Leasing	832	960	960	1,066
Real estate	1,066	793	793	295
Other	8	70	70	69
Rabobank Group	9,958	8,049	9,284	9,29

Summary of loan loss experience

The following table shows the movements in the allocation of the allowance for loan losses on loans accounted for as loans to customers for the past three years:

	At 31 December			
(in millions of euro)	2011	2010 (restated)	2010	2009
Domestic retail banking	1,376	1,325	2,030	1,398
Wholesale banking and international retail banking	670	585	1,915	1,415
Asset management	12	9	9	5
Leasing	444	387	387	246
Real estate	94	45	45	25
Other	14	13	13	41
Total balance at 1 January	2,610	2,364	4,399	3,130
Domestic retail banking	1,119	1,124	1,124	1,541
Wholesale banking and international retail banking	1,333	1,296	1,296	1,500
Asset management	1	7	7	7
Leasing	313	287	287	331
Real estate	147	67	67	36
Other	—	—	—	14
Total additions	2,913	2,781	2,781	3,429
Domestic retail banking	(465)	(759)	(759)	(805)
Wholesale banking and international retail banking	(578)	(665)	(665)	(556)
Asset management	(1)	(1)	(1)	—
Leasing	(127)	(29)	(29)	(23)
Real estate	(18)	(4)	(4)	(14)
Other	—	—	—	(42)
Total reversal of impairments	(1,189)	(1,458)	(1,458)	(1,440)
Domestic retail banking	(590)	(415)	(235)	(191)
Wholesale banking and international retail banking	(542)	(581)	(1,560)	(382)
Asset management	(2)	(6)	(6)	(3)
Leasing	(199)	(219)	(219)	(182)
Real estate	(19)	(14)	(14)	(6)
Other	(14)	—	—	—
Total written off	(1,366)	(1,235)	(2,034)	(764)
Domestic retail banking	103	101	101	87
Wholesale banking and international retail banking	6	35	34	(62)
Asset management	(9)	3	3	—
Leasing	20	18	18	15
Real estate	1	—	—	4
Other	—	1	1	—
Total other	121	158	157	44
Domestic retail banking	1,543	1,376	2,261	2,030
Wholesale banking and international retail banking	889	670	1,020	1,915
Asset management	1	12	12	9
Leasing	451	444	444	387
Real estate	205	94	94	45
Other	—	14	14	13
Total other balance at 31 December	3,089	2,610	3,845	4,399

Due to customers*

The following table presents a breakdown of due to customers at 31 December 2011, 31 December 2010 and 31 December 2009. Interest rates paid on time deposits and savings deposits reflect market conditions and not all current accounts/settlement accounts earn interest.

	At 31 December		
(in millions of euro)	2011	2010	2009
Time deposits	58,931	46,846	47,897
Current accounts/settlement accounts	73,443	71,147	63,388
Repurchase agreements	2,669	2,017	1,207
Other	34,147	25,966	32,666
Total due to customers by businesses	169,190	145,976	145,158
Savings deposits	140,028	130,928	121,373
Current accounts/settlement accounts	12,988	15,812	12,768
Other	7,686	6,045	7,039
Total due to customers by individuals	160,702	152,785	141,180
Total due to customers	329,892	298,761	286,338

Short-term borrowings*

Short-term borrowings are borrowings with an original maturity of one year or less. These are included in Rabobank Group's consolidated statement of financial position under ''Debt securities in issue''. An analysis of the balance of short-term borrowings at 31 December 2011, 31 December 2010 and 31 December 2009 is provided below.

(in millions of euro)	2011	2010	2009
Year-end balance	70,307	72,795	78,370
Average balance	74,246	80,424	77,160
Maximum month-end balance	79,737	88,623	82,167

Long-term borrowings

Long-term borrowings are borrowings with an original maturity of more than one year. These are included in Rabobank Group's consolidated statement of financial position under ''Debt securities in issue'' and ''Other financial liabilities at fair value through profit or loss''. An analysis of the balance of long-term borrowings at 31 December 2011, 31 December 2010 and 31 December 2009 is provided below.

(in millions of euro)	2011	2010	2009
Year-end balance	169,024	153,891	120,701
Average balance	164,471	141,209	116,309
Maximum month-end balance	169,024	153,891	122,776

SELECTED FINANCIAL INFORMATION

The following selected financial data are derived from the audited consolidated financial statements of Rabobank Group, which have been audited by Ernst & Young Accountants LLP, the independent auditor in the Netherlands, with the exception ofthe bad debt costs, the latter being derived from the annual report of Rabobank Group. The data should be read in conjunction with the consolidated financial statements, related notes incorporated by reference herein and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in this Base Prospectus. The Rabobank audited consolidated financial statements for the year ended 31 December 2011 and 31 December 2010 have been prepared in accordance with IFRS as adopted by the European Union.

Consolidated statement of financial position

	At 31 December	
(in millions of euro)	2011	2010
Assets		
Cash and cash equivalents	70,430	13,471
Due from other banks	25,221	33,511
Trading financial assets	8,112	12,987
Other financial assets at fair value through profit or loss	7,015	9,588
Derivative financial instruments	58,973	43,947
Loans to customers	468,085	455,941
Available-for-sale financial assets	51,930	55,458
Held-to-maturity financial assets	109	218
Investments in associates	3,340	3,539
Intangible assets	2,802	3,675
Property and equipment	6,132	6,006
Investment properties	784	816
Current tax assets	571	357
Deferred tax assets	995	1,200
Employee benefits	—	—
Other assets	12,210	11,822
Non-current assets held for sale	14,956	—
Total assets	731,665	652,536

	At 31 December	
(in millions of euro)	2011	2010
Liabilities		
Due to other banks	26,259	23,476
Due to customers	329,892	298,761
Debt securities in issue	213,441	196,819
Derivative financial instruments and other trade liabilities	64,931	49,640
Other debts	8,422	8,665
Other financial liabilities at fair value through profit or loss	25,889	29,867
Provisions	765	979
Current tax liabilities	324	359
Deferred tax liabilities	893	731
Employee benefits	—	—
Subordinated debt	2,413	2,482
Liabilities held for sale	13,435	
Total liabilities	686,664	611,779

	At 31 December	
(in millions of euro)	2011	2010
Equity		
Equity of Rabobank Nederland and local Rabobanks		
Equity instruments issued directly	26,500	24,749
Rabobank Member Certificates	6,614	—
Capital Securities	7,645	4,790
Non-controlling interests	—	—
Equity instruments issued by subsidiaries	40,759	29,539
Rabobank Member Certificates	—	6,583
Capital Securities	167	163
Trust Preferred Securities III to VI	1,399	1,353
	1,566	8,099
Non-controlling interests	2,676	3,119
Total equity	45,001	40,757
Total equity and liabilities	731,665	652,536

Consolidated statement of income

	Year ended 31 December	
(in millions of euro)	2011	2010
Interest income	22,211	19,928
Interest expense	12,982	11,314
Interest	9,229	8,614
Commission income	3,646	3,469
Commission expense	665	638
Commission	2,981	2,831
Income from associates	(17)	292
Net income from financial assets and liabilities at fair value through profit or loss	640	231
Gains on available-for-sale financial assets	(169)	105
Other income	714	643
Income	13,378	12,716
Staff costs	5,141	4,919
Other administrative expenses	3,001	2,706
Depreciation and amortisation	578	571
Operating expenses	8,720	8,196
Value adjustments	1,606	1,234
Operating profit before taxation	3,052	3,286
Income tax expense	425	514
Net profit	2,627	2,772
Of which attributable to Rabobank Nederland and local Rabobanks	1,549	1,846
Of which attributable to holders of Rabobank Member Certificates	315	303
Of which attributable to Capital Securities	612	460
Of which attributable to Trust Preferred Securities III to VI	73	73
Of which attributable to non-controlling interests	78	90
Net profit for the year	2,627	2,772

Financial ratios:

	2011	2010
BIS ratio	17.5%	16.3%
Tier 1 ratio	17.0%	15.7%
Equity capital ratio[(1)]	14.7%	14.2%
Bad debt costs (in basis points of average lending)	37	29

Note:

(1) The equity capital ratio is calculated by dividing retained earnings and Rabobank Member Certificates by total of risk-weighted assets.

RISK MANAGEMENT

Rabobank Group places a high priority on the management of risk and has extensive procedures in place for systematic risk management. Within Rabobank Group, the risk management policies relating to interest rate risk, market risk and liquidity risk are developed and monitored by the Balance Sheet and Risk Management Committee Rabobank Group (''**BRMC-RG**'') in cooperation with the Group Risk Management department. The BRMC-RG is responsible for balance sheet management, establishing risk policy, setting risk measurement standards, broadly determining limits and monitoring developments, and advising the Executive Board on all relevant issues regarding risk management. The Group Operational Risk Committee (''**GORC**'') focuses on operational risks, whereas the Group's risk management policies relating to credit risk are developed by the Policy Credit Committee Rabobank Group in cooperation with the Group Risk Management and the Credit Risk Management department. These committees report to the Executive Board, which is ultimately responsible for risk management within Rabobank Group.

The principal risks faced by Rabobank Group are credit risk, country risk, interest rate risk, liquidity risk, market risk and operational risk. Rabobank has implemented an economic capital framework to determine the amount of capital it should hold on the basis of its risk profile and desired credit rating. Economic capital represents the amount of capital needed to cover for all risks associated with a certain activity. The economic capital framework makes it possible to compare different risk categories with each other because all risks are analysed by using the same methodology. See also ''Risk Factors''.

Risk Adjusted Return On Capital

Relating the profit achieved on a certain activity to the capital required for that activity produces the Risk-Adjusted Return On Capital (''**RAROC**''). RAROC is calculated by dividing economic return by economic capital. The calculation and review of RAROC across Rabobank Group's business activities and entities assists Rabobank Group in striking a balance between risk, returns and capital for both Rabobank Group and its constituent parts. This approach encourages each individual group entity to ensure appropriate compensation for the risks it runs. RAROC is therefore an essential instrument for positioning products in the market at the right price.

The use of the RAROC model to classify Rabobank Group's activities also plays a role in the allocation of capital to the various group entities and the different risk categories. If the calculated RAROC lags behind a formulated minimum result to be achieved, which is a reflection of the costs of the capital employed, economic value is wasted. A higher RAROC implies the creation of economic value. For the year ended 31 December 2011, Rabobank realised a RAROC after tax of 11.8 per cent.

Credit risk

Rabobank Group aims to offer continuity in its services. It therefore pursues a prudent credit policy. Once granted, loans are carefully managed so there is a continuous monitoring of credit risk. At 31 December 2011, 47 per cent. of Rabobank Group's credit loan portfolio to the private sector consisted of loans to private individuals, mainly residential mortgages, which tend to have a very low risk profile in relative terms. The remaining 53 per cent. was a highly diversified portfolio of loans to business clients in the Netherlands and internationally.

Approval of larger credit applications is decided on by committees. A structure consisting of various committees has been established, with the total exposure including the requested financing determining the applicable committee level. The Executive Board itself decides on the largest credit applications. Rabobank Group has three Policy Credit Committees (''**PCCs**''): Rabobank Group PCC and the Rabobank International and Member Banks PCCs. Rabobank Group PCC establishes Rabobank Group's credit risk policy. Rabobank Group entities define and establish their own credit policies within this framework. In this context, the Member Banks PCC is responsible for domestic retail banking and the Rabobank International PCC for wholesale banking and international retail banking. Rabobank Group PCC is chaired by the CFO and the Executive Board is represented by three members. The CFO also chairs the Rabobank International and Member Banks PCCs. The PCCs are composed of representatives from Rabobank Group's most senior management levels. For corporate loans, a key concept in

Rabobank Group's policy for accepting new clients is the "know your customer" principle, meaning that loans are granted only to corporate clients whose management, including their integrity and expertise, is known and considered acceptable by Rabobank Group. In addition, Rabobank Group is familiar with the industry in which a client operates and can assess its clients' financial performance. Corporate social responsibility implies responsible financing; accordingly, corporate social responsibility guidelines apply to the lending process as well.

With respect to the management of Rabobank Group's exposure to credit risk, Rabobank Nederland's Credit Risk Management department and Group Risk Management department play a key role. Credit applications beyond certain limits are subject to a thorough credit analysis by credit officers of Credit Risk Management. Group Risk Management monitors Rabobank Group's credit portfolio and develops new methods for quantifying credit risks.

Risk profiling is also undertaken at the portfolio level using internal risk classifications for portfolio modelling. Internal credit ratings are assigned to borrowers by allocating all outstanding loans into various risk categories on a regular basis.

Rabobank Group uses the Advanced IRB approach for credit risk. This is the most risk-sensitive form of the Basel II Credit Risk approaches. Rabobank Group has professionalised its risk management even further by combining Basel II compliance activities with the implementation of a best-practice framework for Economic Capital. The main Basel II parameters as far as credit risk is concerned are EAD (Exposure At Default), PD (Probability of Default) and LGD (Loss Given Default). It is partly on the basis of these parameters that Rabobank Group determines the economic capital and the Risk Adjusted Return On Capital (RAROC). These Basel II parameters are an important element of management information. A significant advantage associated with the use of economic capital is a streamlined and efficient approval process. The use of the Basel II parameters and RAROC support credit analysts and the Credit Committees in making well-considered decisions. Every group entity has established a RAROC target at customer level. Next to credit quality, this is an important factor in taking decisions on specific credit applications.

Rabobank Group believes it has a framework of policies and processes in place that is designed to measure, manage and mitigate credit risks. Rabobank Group's policy for accepting new clients is characterised by careful assessment of clients and their ability to make repayments on credit granted. As a result, Rabobank believes the loan portfolio has a relatively low risk profile. Rabobank Group's objective is to enter into long term relationships with clients which are beneficial for both the client and Rabobank Group.

EAD is the expected exposure to the client in the event of, and at the time of, a counterparty's default. At year-end 2011, the EAD of the total Advanced IRB loan portfolio was €606 billion (2010: €546 billion). This EAD includes the expected future usage of unused credit lines. As part of its approval process Rabobank Group uses the Rabobank Risk Rating system, which indicates the counterparty's PD over a one-year period. The counterparties have been assigned to one of the 25 rating classes, including four default ratings. These default ratings are assigned if the customer defaults, the form of which varies from payment arrears of ninety days to bankruptcy. The weighted average PD of the total Advanced IRB loan portfolio is 1.06 per cent. (2010: 1.21 per cent.). This improvement in PD was caused by a change in the PD of existing debtors as well as by changes in the composition of the portfolio (inflow and outflow of clients), the implementation of new models and policy changes.

The following table shows the impaired loans (i.e. the amount of loans for which an allowance has been taken) of 31 December 2011, 2010 and 2009 per business unit as a percentage of private sector loans:

Impaired loans/private sector lending per business unit

	At 31 December		
(in percentages)	2011	2010	2009
Domestic retail banking	1.54	1.56	1.55
Wholesale banking and international retail banking	3.46	3.25	4.19
Leasing	3.10	3.93	4.64
Real Estate	5.53	4.40	1.73
Rabobank Group	2.25	2.16	2.28

Bad debt costs

Once a loan has been granted, ongoing credit management takes place as part of which new information, both financial and non-financial, is assessed. The bank monitors if the client meets all its obligations and whether it can be expected the client will continue to do so. If this is not the case, credit management is intensified, monitoring becomes more frequent and a closer eye is kept on credit terms. Guidance is provided by a special unit within Rabobank Group, particularly in case of larger and more complex loans granted to businesses whose continuity is at stake. If it is probable that the debtor will be unable to fulfil its contractual obligations, this is a matter of impairment and an allowance is made which is charged to income.

The table below sets forth Rabobank Group's bad debt costs for the three years ended 31 December 2011, 2010 and 2009, per business unit as a percentage of private sector lending:

Bad debt costs/average private sector lending per business unit

	Year ended 31 December		
(in percentages)	2011	2010	2009
Domestic retail	0.22	0.13	0.26
Wholesale banking and international retail banking	0.73	0.64	1.05
Leasing	0.58	0.90	1.32
Real estate	0.69	0.36	0.14
Rabobank Group	0.37	0.29	0.48

Structured credit

Rabobank Group's trading and investment portfolios have limited direct exposure to more structured investments, which amounted to €4.6 billion at 31 December 2011, compared to €5.8 billion at 31 December 2010, of which the majority, 79 per cent. (2010: 89 per cent.), is single A-rated or higher.

In a number of cases, monoline insurers are the counterparty to credit default swaps that hedge the credit risk of certain investments. In most cases, solvency objectives are the main reason for the existence of these hedges rather than the credit quality of these investments. The creditworthiness of a number of monoline insurers is subject to downward pressure, which was also reflected by the downgrading of the credit ratings of these institutions. Counterparty risk relating to these monoline insurers arises in case the value of the credit default swaps with these counterparties increases, due to a decrease of the fair value of the underlying investments, or because other insured investments can lead to payment claims against these insurers. In this the credit quality of the investments and time-related aspects are taken into account. At 31 December 2011 the total counterparty risk before provisions amounted to €1,313 million. The total provisions on that date ended up at €1,140 million. The remaining counterparty risk at 31 December 2011 amounted to €173 million.

Given these figures, further downgrades of monoline insurers would have a limited impact, because for the major part of this type of counterparty, risk provisions have already been made.

Country risk

Rabobank Group uses a country limit system to manage transfer risk and collective debtor risk. After careful review, relevant countries are given an internal country risk rating, after which transfer limits and general limits are established.

Transfer limits are determined according to the net transfer risk, which is defined as total loans granted, less loans granted in local currency, less guarantees and other collateral obtained to cover transfer risk, and less a reduced weighting of specific products. The limits are allocated to the offices, which are themselves responsible for the day-to-day monitoring of the loans granted by them and for reporting on this to Group Risk Management.

At Rabobank Group level, the country risk outstanding, including additional capital requirements for transfer risk, is reported every quarter to Rabobank Group's Balance Sheet and Risk Management Committee Rabobank Group (the "**BRMC-RG**") and the Country Limit

Committee. The calculations of additional capital requirements for transfer risk are made in accordance with internal guidelines and cover all countries where transfer risk is relevant.

At 31 December 2011, the net transfer risk before provisions for non-OECD countries was 1.7 per cent. (2010: 1.4 per cent.).

At 31 December 2011 the Rabobank Group exposure to government bonds issued by Greece, Ireland, Italy, Portugal and Spain (the GIIPS-countries) was €349 million. In addition there was a limited exposure to Greek and Portuguese state-guaranteed bonds. The Portuguese state-guaranteed bonds were repaid in February 2012. The bonds issued by financial institutions in the countries referred to are mainly Spanish covered bonds. The issuing entity has provided additional collateral.

Government exposure at year-end 2011 (in millions of euro)

Country	Government bonds	State-guaranteed bonds	Bonds issued by financial institutions	Total	Cumulative changes through profit or loss at 31 December 2011
Greece	49	38	—	87	227
Ireland	60	—	31	91	8
Italy	200	—	55	255	—
Portugal	19	60	42	121	23
Spain	21	23	1,450	1,494	116
Total	349	121	1,578	2,048	374

Based on Rabobank Group's accounting policies, it has been established with respect to the Greek and Portuguese government bonds and a number of bonds issued by financial institutions that impairment losses need to be recognised; these positions have been impaired to their fair market value at 31 December 2011. The average valuation of the Greek government bonds and state-guaranteed bonds was 28 per cent. at year-end 2011.

Exposure to European government bonds other than Dutch, German and French is very limited. There is no exposure to Cyprus, Hungary and Romania. The portfolio of French government bonds was sharply reduced in 2011 to approximately €6 billion (2010: approximately €11 billion).

Interest rate risk

Rabobank Group is exposed to structural interest rate risk in its balance sheet. Interest rate risk can result from, among other things, mismatches in assets and liabilities; for example, mismatches between the periods for which interest rates are fixed on loans and funds entrusted. Rabobank Group manages interest rate risk by using both the accrual based Income at Risk concept and the value based Equity at Risk concept. Based on the Income at Risk and Equity at Risk analyses, the Executive Board forms an opinion with regard to the acceptability of losses related to projected interest rate scenarios, and decides upon limits with regard to the Group's interest rate risk profile.

Rabobank Group's short-term interest rate risk can be quantified by looking at the sensitivity of net interest income (interest income less interest expenses, before tax) for changes in interest rates. This ''Income at Risk'' figure represents the change in net interest income for the coming 24 months, due to parallel increases/decreases in interest rates of 200 basis points, assuming no management intervention. As of 1 January 2011 the Income at Risk calculation also takes account of changes in client savings and prepayments behaviour in reaction to interest rate movements and changes in the pricing policy of savings products. The applied interest rate scenarios are based on the assumption that all money and capital market interest rates will show an even and parallel increase/decline by 200 basis points during the first 12 months and remain at those elevated levels in months 13 to 24. The simulation of the possible interest income development is based on an internal interest rate risk model. This model includes certain assumptions regarding

the interest rate sensitivity of products with interest rates that are not directly linked to a certain money or capital market rate, such as savings of private customers.

Rabobank Group's long-term interest rate risk is measured and controlled based on the concept of ''Equity at Risk'', which is the sensitivity of Rabobank Group's economic value of equity to an instant parallel change in interest rates of 200 basis points. The economic value of equity is defined as the present value of the assets less the present value of the liabilities plus the present value of the off-balance sheet items. In the Equity at Risk calculation client behaviour and the bank's pricing policy are supposed to show no changes, while all market interest rates are assumed to increase/decline by 200 basis points at once. Just as in the Income at Risk calculation, the impact analysis of these scenarios is based on an internal interest rate risk model. In that model balance sheet items without a contractual maturity, like demand savings deposits and current accounts, are included as a replicating portfolio. Equity at Risk is expressed as a percentage. This percentage represents the deviation from the economic value of equity at the reporting date.

At 31 December 2011, the Income at Risk (''**IatR**'') and Equity at Risk (''**EatR**'') for Rabobank Group were as follows:

(in millions of euro, except percentages)	200 basis points increase	200 basis points decrease
IatR 1-12 months	434	(191)
IatR 13-24 months	1,120	16
EatR	(5%)	(1%)

Rabobank Group performs complementary scenario analyses to access the impact of changes in customer behaviour and the economic environment.

Liquidity risk

Liquidity risk is the risk that the bank is not able to meet its financial liabilities when due, as well as the risk that it is unable to fund increases in assets either at reasonable prices or at all. In line with the Basel principles, the Rabobank Group policy is that long-term lending is financed by means of stable funding, being funding from customers and long-term funding from the professional market. Liquidity risk management is based on three pillars.

The first pillar sets strict limits on the maximum outgoing cash flows of the wholesale banking division. This ensures that excessive dependence on the professional market is avoided. To this end, the incoming and outgoing cash flows over the next 12 months are calculated and reported on a daily basis. In addition, limits have been set on the outgoing cash flows per currency and location. Detailed contingency plans have been drawn up in order to ensure the bank is prepared for potential crises.

Under the second pillar, a large buffer of liquid assets is held. If necessary, these assets can be used to generate liquidity immediately, either by being used in repo transactions, being sold directly on the market, or by means of pledging them to central banks.

The third pillar is to limit liquidity risk by pursuing a prudent funding policy that is designed to ensure that the financing requirements of group entities are met at an acceptable cost. The diversification of funding sources and currencies, the flexibility of the funding instruments used and an active investor relations function play an important role in this context. This prevents Rabobank Group from becoming overly dependent on a single source of funding.

Liquidity risk is an organisation-wide matter and managed by Treasury Rabobank Group in cooperation with Rabobank International Global Financial Markets. Several methods have been developed to measure and manage liquidity risk. Methods used to measure liquidity risk include the CA/CL method (Core Assets/Core Liabilities). Using various time periods, a quantification is made of the assets, unused facilities and liabilities that are expected to remain on the balance sheet after assumed and closely defined stress scenarios have occurred. These remaining assets and liabilities are referred to as Core Assets and Core Liabilities, respectively, and their inter-relationship is the liquidity ratio. A ratio below 1.2 is considered adequate and in 2011, this was the case for the scenarios used. The Dutch regulator also provides extensive guidelines for

measuring and reporting the liquidity position of Rabobank Group. According to these guidelines the liquidity position is more than adequate, with available liquidity exceeding the requirement by 40 per cent. on average.

Market risk

Market risk relates to the change in value of Rabobank Group's trading portfolio as a consequence of changes in market prices, such as interest rates, foreign exchange rates, credit spreads, commodity prices and equity share prices. The BRMC-RG is responsible for developing and supervising market risk policies and monitors Rabobank Group's worldwide market risk profile. On a daily basis, the Market Risk department measures and reports the market risk positions. Market risk is calculated based on internally developed risk models and systems, which are approved and accepted by the Dutch Central Bank. Rabobank Group's risk models are based on the ''Value at Risk'' concept. Value at Risk describes the maximum possible loss that Rabobank Group can suffer within a defined holding period, based on historical market price changes and a given certain confidence interval. Value at Risk within Rabobank Group is based on actual historical market circumstances. To measure the potential impact of strong adverse market price movements, stress tests are applied. These ''event risk scenarios'' measure the effect of sharp and sudden changes in market prices. Value at Risk and event risk are tied to limits that are set by the Executive Board on an annual basis.

For the year ended 31 December 2011, the Value at Risk, based on a one day holding period and 97.5 per cent. confidence level, fluctuated between €10 million (2010: €9 million) and €24 million (2010: €18 million), with an average of €16 million (2010: €14 million). The slight increase of the average Value at Risk compared to 2010 follows from changes in positions and activities.

Value at Risk models have certain limitations; they are more reliable during normal market conditions, and historical data may fail to predict the future. Therefore, Value at Risk results cannot guarantee that actual risk will follow the statistical estimate. The performance of the Value at Risk models is regularly reviewed by means of back testing. These back testing results are reported both internally, as well as to the regulator. In addition to Value at Risk, also other risk indicators are used for market risk management. Some of them are generated by using statistical models. All these indicators assist the Market Risk department, as well as the BRMC-RG in evaluating Rabobank Group's market positions.

Source: Rabobank Group Annual Report 2011

Operational risk

Operational risk is the risk of direct or indirect losses arising from inadequate or failed internal processes, people and systems or from external events. Possible legal and reputational risks are included while assessing and managing operational risks. Rabobank Group has a Group-wide operational risk policy and it applies the Advanced Measurement Approach to its operational risk framework. The group-wide operational risk policy is based upon the principle that the primary responsibility for managing operational risks lies with the Rabobank Group entities and should be interwoven in the strategic and daily decision-making. The management of each Rabobank Group entity is responsible for developing policies and procedures to manage their specific operational risks in line with Rabobank Group Operational Risk Management policy.

Group Risk Management — Operational Risk Management ("**GRM-ORM**") offers overview, support tools, expertise and challenge to the group entities and provides transparency in the Rabobank Group to senior management. Examples of the instruments made available to facilitate operational risk management within each Rabobank Group entity include risk assessment and scenario analysis. All entities record operational incidents and report them on a quarterly basis to the Group Operational Risk department which are in turn used for both operational risk management and measurement.

GOVERNANCE OF RABOBANK GROUP

Corporate governance

In recent years the corporate governance of organisations has been of particular public interest. On account of its cooperative organisation, Rabobank's corporate governance is characterised by a robust system of checks and balances. As a result, this governance is in many respects even stricter than in listed enterprises. The members of the independent, cooperative local Rabobanks exercise influence at a local level. As members of Rabobank Nederland, the local Rabobanks in turn play a very important part in the policy-making within Rabobank's organisation. For example, a distinguishing feature in Rabobank Group's governance is the Central Delegates Assembly, Rabobank Group's parliament, which meets at least four times a year and where Rabobank Nederland's members are able to participate in virtually all Rabobank Nederland's strategic decisions.

Although the Dutch Corporate Governance Code does not apply to the cooperative as a legal form of enterprise, Rabobank Nederland's corporate governance is broadly consistent with this code. Rabobank also observes the Banking Code, which was adopted in 2009 by the Netherlands Bankers' Association and came into force on 1 January 2010.

Executive Board

The Executive Board (*raad van bestuur*) of Rabobank Nederland is responsible for the management of Rabobank Nederland and, indirectly, its affiliated entities. The management of Rabobank Group is based on its strategic principles and, by extension, on the interrelationship between risk, return and equity. This includes responsibility for the achievement of the objectives of Rabobank Group as a whole, its strategic policy with the associated risk profile, its results, the social aspects of its business and their relevance to the enterprise, the synergy within Rabobank Group, compliance with all relevant laws and regulations, the management of business risks and the financing of Rabobank Group. The Executive Board reports on all these aspects to the Supervisory Board (*raad van commissarissen*) of Rabobank Nederland, the Central Delegates Assembly and the General Meeting (*algemene vergadering*) of Rabobank Nederland, which is formed by the members, i.e. the local Rabobanks.

The Dutch Financial Supervision Act and related subordinate legislation, as well as regulations imposed by the Dutch supervisory authorities have formulated standards for financial institutions. The supervision of Rabobank Nederland's solvency and stability — i.e. prudential supervision — is performed by the Dutch Central Bank, while the AFM supervises orderly and transparent market processes, sound relationships between market parties and conscientious customer treatment, i.e. conduct supervision. Obviously, these regulations form the framework for the organisation and control of Rabobank Group's activities.

The members of the Executive Board are appointed by the Supervisory Board for a four-year period, but their contracts of employment are for an indefinite period. Reappointments likewise are for a four-year term. Members may be dismissed and suspended by the Supervisory Board. The Supervisory Board determines the remuneration of the members of the Executive Board and reports on this to the Committee on Confidential Matters of the Central Delegates Assembly. The principles of the remuneration policy for the Executive Board, as recommended by the Supervisory Board, are established by the Central Delegates Assembly. Finally, the Supervisory Board periodically assesses and follows up on the Executive Board's performance. The Executive Board is responsible for the authorisation of debenture issues of Rabobank Nederland, under the approval of the Supervisory Board.

Supervisory Board

The Supervisory Board performs the supervisory role within Rabobank Nederland. This means that the Supervisory Board supervises the policy pursued by the Executive Board and the general conduct of affairs of Rabobank Nederland and its affiliated entities. As part thereof, the Supervisory Board monitors the compliance with the law, the Articles of Association and other relevant rules and regulations. In practice, this means that the achievement of Rabobank Group's objectives, the strategy, business risks, the design and operation of the internal risk management and control systems, the financial reporting process and compliance with laws and regulations are discussed at length and tested regularly. In addition, the Supervisory Board has an advisory role in respect of the Executive Board.

The Supervisory Board has five committees: the Audit & Compliance Committee, the Cooperative Issues Committee, the Appointments Committee, the Remuneration Committee and the Appeals Committee. These committees perform preparatory and advisory work for the Supervisory Board.

In the performance of their duties, the members of the Supervisory Board act in the interests of all stakeholders of Rabobank Nederland and its affiliated entities. Certain key Executive Board decisions are subject to Supervisory Board approval. Examples include decisions on strategic collaboration with third parties, major investments and acquisitions, as well as the annual adoption of policy plans and the budget.

The members of the Supervisory Board are appointed by the General Meeting of Rabobank Nederland on the recommendation of the Supervisory Board. However, the Executive Board, as well as Rabobank Nederland's Works Council and the General Meeting are each entitled to nominate individuals for consideration by the Supervisory Board. The independence of the individual members, among other factors, is an important consideration for nomination and appointments of Supervisory Board members. Any semblance of a conflict of interests must be avoided. The profile for the Supervisory Board sets standards for its size and composition, taking into account the nature of the enterprises carried on by Rabobank Nederland and its activities, and for the expertise, backgrounds and diversity of the Supervisory Board members. The profile for the Supervisory Board is drawn up in consultation with the Committee on Confidential Matters of the Central Delegates Assembly and is adopted by the General Meeting. The Supervisory Board's desired composition and the competencies represented in it are specific areas of attention, within the profile's framework, when nominating candidates for appointment or reappointment.

The Committee on Confidential Matters of the Central Delegates Assembly determines the remuneration of the Supervisory Board members and also has a say in the profile of the members of the Supervisory Board.

The Supervisory Board, headed by its Chairman, continually assesses its own performance, both as a collective body and in terms of its separate committees and individual members. Initiatives are developed regularly to keep Supervisory Board members abreast of developments or to increase their knowledge in various areas.

Member influence

As a cooperative, Rabobank has members, not ordinary shareholders like companies do. The local cooperative Rabobanks are members of the Rabobank Nederland cooperative and hence have an important role in the working of Rabobank Nederland's governance. In that context, a key element is the open and transparent culture, with clear accountability for the management and supervision and the assessment thereof. The influence and control of the local Rabobanks are manifested through their representation in two bodies: the Central Delegates Assembly and the General Meeting. The local Rabobanks can vote at the General Meeting according to a formula that is adjusted periodically by the Executive Board, and through indirect representation at the Central Delegates Assembly.

Central Delegates Assembly

The local Rabobanks are organised geographically in twelve Regional Delegates Assemblies, each with a board of six. Together the Boards of the Regional Delegates Assemblies form the Central Delegates Assembly (*Centrale Kringvergadering*) ("**CKV**"), which meets at least four times a year in the city of Utrecht. Prior to the CKV, the banks belonging to a particular Regional Delegates Assembly discuss the agenda at their Assembly. Thus, the members of the local Rabobanks, through the representation of the local management and supervisory bodies in the Regional Delegates Assemblies, are represented in the CKV, although without instructions or consultations. The majority of the Boards of the Regional Delegates Assemblies and thereby the CKV consists of individuals elected by the local members, who from their commitment to the Rabobank organisation wish to fulfil this role.

The CKV's powers include the establishment of rules that are binding on all local Rabobanks and the establishment of Rabobank's Strategy. This strategy describes the principles for the Executive Board's policies and thereby directly influences Rabobank Group's policy. The CKV also approves the budget for Rabobank Nederland's activities no behalf of the local Rabobanks.

The CKV has in-depth discussions, which are held not only as part of the CKV's specific duties and powers, but also with the aim of encouraging commitment in the local Rabobanks and consensus between the local Rabobanks and Rabobank Nederland. Finally, the CKV advises the local Rabobanks on all the items on the agenda pertaining to the General Meeting.

The manner in which Rabobank Nederland accounts for its policy to its members in the CKV is considerably more extensive than the account rendered by a typical listed public company to its shareholders. Because of the special relationship between Rabobank Nederland and its members, the CKV enjoys almost full attendance. In order to operate effectively, the CKV has appointed three committees from among its members, which are charged with special duties. The Committee on Confidential Matters advises on appointments in the Supervisory Board, sets the Supervisory Board's remuneration and assesses the Supervisory Board's application of the remuneration policy. The Coordinating Committee draws up the agenda of the CKV and subjects items for the agenda to formality compliance tests. The Emergency Affairs Committee advises the Executive Board on behalf of the CKV in urgent, price-sensitive and/or confidential cases concerning major investments or divestments.

In order to maintain maximum effectiveness of the CKV, an internal committee was established in 2006 whose task was to advise on the CKV's desired future size and composition. The committee's recommendations included the following: to reduce the CKV membership from 120 to 72, to introduce observers in the CKV and to confirm the CKV's composition according to the ratio of "2 elected members to 1 appointed member". These recommendations have been implemented.

General Meeting

The General Meeting (*algemene vergadering*) is the body through which all local Rabobanks, as members of Rabobank Nederland, can exercise direct control. The General Meeting deals with important issues, such as the adoption of the financial statements, approval and endorsement of management and supervision, amendments to the Articles of Association and regulations, and the appointment of members of the Supervisory Board. The CKV issues advice prior to the General Meeting on all the items on the agenda. This procedure ensures that, prior to the General Meeting, these subjects have been discussed in detail on a local, regional and central level. Because of the special relationship between Rabobank Nederland and its members, the General Meeting enjoys almost full attendance.

Local Rabobanks

Corporate governance at the local Rabobanks

In the past, the local Rabobanks could choose one of two governance models: the Partnership model and the Executive model. Based on a review of the operation of both models, preparations started in 2009 to replace them and from mid-2010 they began to be replaced by a single governance model: the Rabo model. Effective member influence and control are similarly assured in this new governance model, and the governance of the local Rabobanks will be carried out both adequately and professionally, and in a way that befits their cooperative culture. The members of all the local Rabobanks have important powers, for instance to adopt the financial statements, to amend the Articles of Association, to appoint members of the Supervisory Board and to approve and endorse management and supervision. Account is rendered to the members in respect of the local Rabobank's management and supervision.

Rabo model

In the Rabo model, each local Rabobank has a Board of Directors comprising several persons appointed by the Supervisory Board, which operates under the supervision of the Supervisory Board. A delegation of the members (*de ledenraad*) has important powers, such as to appoint the members of the Supervisory Board, to amend the articles of association, to approve of a merger and to adopt the financial statements. Each member of a local Rabobank belongs to an electoral district and has the power to vote for a candidate of that electoral district as a member of the delegation of members (*de ledenraad*). From mid-2010 the Rabo model began to replace the Partnership model and the Executive model.

Member council

Local Rabobanks must institute a member council in order to firmly and permanently embed member influence and control in the structure. The member council is a delegation of all members elected by the members from their ranks. The member council assumes the bulk of the powers of the General Meeting and promotes and structures member control and engagement. The General Meeting continues to exist, but decides only on major issues that impact the local Rabobank's continued existence.

Employee influence within Rabobank Group

Rabobank attaches great value to consultations with the various employee representative bodies. Employee influence within Rabobank Group has been enabled at various levels. Issues concerning the business of Rabobank Nederland are handled by Rabobank Nederland's Works Council. Subsidiaries such as Robeco, De Lage Landen, Orbay and Rabo Real Estate Group each have their own Works Councils with consultative powers on matters concerning these enterprises. In addition, each local Rabobank has its own Works Council to discuss matters concerning that particular local Rabobank. The Group Works Council of Member Banks (''**GOR AB**'') is a cooperative-structure based employee representative body that represents the interests of the employees of the local Rabobanks on issues that concern all the local Rabobanks or a majority thereof. In the case of a proposed decision, as defined in the Dutch Works Councils Act, that affects the majority of the local Rabobanks, it is submitted for approval or advice to the GOR AB. In the case of a proposed decision that does not affect the majority of all local Rabobanks, the GOR AB does not interfere with the position of the Works Councils of the local Rabobanks. Rabobank Group also has an employee representative body at a European level, the European Working Group (''**EWG**''), in which employees of Rabobank offices from the EU member states are represented. The EWG holds discussions with the Executive Board at least twice a year about developments within Rabobank Group. This does not affect the role of the national employee representative bodies.

Dutch Corporate governance code

Although it is under no obligation to do so due to its cooperative structure, Rabobank Nederland complies with the Dutch Corporate Governance Code on a voluntary basis.

Partly because of its cooperative structure, Rabobank Nederland departs in some respects from the Dutch Corporate Governance Code.

Banking Code

On 9 September 2009, the Banking Code for Dutch banks was adopted as binding by the Board of the Netherlands Bankers' Association, in response to the report entitled ''Restoring Trust'' (''*Naar herstel van vertrouwen*'') of the Advisory Committee on the Future of Banks in the Netherlands. Although the Banking Code did not come into force until 1 January 2010, Rabobank commenced compliance preparations in 2009. Rabobank intends fully to observe the Banking Code and has only one departure, which is explained according to the ''comply or explain'' principle. This departure concerns the severance pay for members of the Executive Board. Members of the Executive Board appointed prior to 1 January 2010 receive severance pay based on the subdistrict court formula in the event of their removal. This entitlement to severance pay was laid down in agreements made previously with the relevant members of the Executive Board and therefore constitutes a departure from the relevant provision of the Banking Code. The Banking Code principle on severance pay will be complied with in the case of new members of the Executive Board.

Controls over financial reporting

Rabobank Group constantly seeks to improve its corporate governance and overall internal controls, with the aim of achieving an open culture and transparent accountability in respect of policies and supervision, and to remain in line with the leading standards across the globe. Accordingly, Rabobank Group voluntarily implemented internal controls over its financial reporting in a manner similar to that of US-registered companies pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 (the ''**Sarbanes-Oxley Act**''), even though Rabobank Group is not a registrant with the United States Securities and Exchange Commission and, thus, is not subject to the Sarbanes-Oxley Act or related regulations and oversight. Rabobank Group believes that internal

controls over financial reporting increase the effectiveness of such reporting, and offer opportunities to identify and remedy any deficiencies at an early stage. This results in a higher quality of Rabobank Group's financial reporting process.

Internal controls

Rabobank Group uses internal controls to provide reasonable assurance that:

- transactions are recorded as necessary to permit the preparation of financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and that receipts and expenditures are recognised only in accordance with authorisations of management;
- unauthorised acquisition, use or disposition of assets that could have a material effect on the financial statements, is prevented or detected.

Rabobank Group's internal control framework is based on the framework set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("**COSO**"). As set out in the report included in the financial statements, the Executive Board concluded that the internal risk management and control systems are adequate and effective and provide reasonable assurance that the financial reporting is free of material misstatement.

Members of Supervisory Board and Executive Board

Supervisory Board of Rabobank Nederland

The following persons, all of whom are resident in the Netherlands, are appointed as members of the Supervisory Board and the Executive Board of Rabobank Nederland, respectively:

Name	Born	Year Appointed[1]	Term Expires	Nationality
Lense (L.) Koopmans, Chairman	1943	2002	2013	Dutch
Antoon (A.J.A.M.) Vermeer, Vice Chairman	1949	2002	2014	Dutch
Irene (I.P.) Asscher-Vonk	1944	2009	2013	Dutch
Bernard (B.) Bijvoet	1940	2002	2012	Dutch
Tom (A.) de Bruijn	1953	2009	2013	Dutch
Wout (W) Dekker	1956	2010	2012	Dutch
Louise (L.O.) Fresco	1952	2006	2014	Dutch
Leo (S.L.J.) Graafsma	1949	2010	2014	Dutch
Erik (E.A.J.) van de Merwe	1950	2010	2012	Dutch
Marinus (M.) Minderhoud	1946	2002	2014	Dutch
Martin (M.J.M.) Tielen	1942	2002	2013	Dutch
Cees (C.P.) Veerman	1949	2007	2015	Dutch

(1) As a result of a 2002 amendment of the management organisation of Rabobank Nederland, the former supervisory council was replaced by the Supervisory Board due to which the appointment date for a number of supervisory directors was fixed at 2002 even though they had been previously on the supervisory council.

Mr L. Koopmans (Lense)

Date of Birth	17 June 1943
Profession	– Professional supervisory director – Former Professor at the Erasmus University of Rotterdam – Emeritus Professor at the University of Groningen
Main positions	– Chairman of the Supervisory Board of Rabobank Nederland – Chairman of the Board of Directors of Stichting TBI
Nationality	Dutch
Auxiliary positions	Supervisory Directorships: – Chairman of the Supervisory Board of Siers Groep B.V. – Chairman of the Supervisory Board of Arriva Nederland B.V. – Chairman of the Supervisory Board of TSS B.V. – Vice-Chairman of the Supervisory Board of KIWA N.V. Other auxiliary positions: – Member of the Board of Directors of Unilever Trust Office – Vice-Chairman of the Board of Supervision of the University Medical Center Groningen – Chairman of the Board of Supervision of the Fries Museum en Princessehof
Date of first appointment to the Supervisory Board	June 2002 (Member of the Board of Directors from June 1996 until June 2002)
Current term of appointment to the Supervisory Board	June 2009 — June 2013

Mr A.J.A.M. Vermeer (Antoon)

Date of Birth	21 October 1949
Profession	Professional director/supervisory director
Main positions	Member of a dairy farming partnership (*maatschap melkveehouderijbedrijf*)
Nationality	Dutch
Additional positions	Supervisory Directorships: – Vice-Chairman of the Supervisory Board of Rabobank Nederland – Chairman of the Supervisory Board of VION N.V. – Member of the Supervisory Board of Achmea B.V. Other additional positions: – Member of the Board of Governors of the ZLTO Food, Farming and Agribusiness Chair, Tilburg University – Chairman Board of Supervision of HAS Den Bosch – Chairman Council for the Rural Area (*Raad voor het Landelijk Gebied*)
Date of first appointment to the Supervisory Board	June 2002
Current term of appointment to the Supervisory Board	June 2010 — June 2014

Mrs I.P. Asscher-Vonk (Irene)

Date of Birth	5 September 1944
Profession	Professional supervisory director
Main position	Emeritus professor at the Radboud University, Nijmegen
Nationality	Dutch
Auxiliary positions	Supervisory Directorships: – Member of the Supervisory Board of Rabobank Nederland – Member of the Supervisory Board of KLM – Member of the Supervisory Board of Arriva Nederland – Member of the Supervisory Board of Philip Morris Holland – Member of the Supervisory Board of TBI Other auxiliary positions: – Chairman of the Episcopal Court (*Bisschoppelijk Scheidsgerecht*) – Chairman National Arbitration Board for Schools (*Landelijke Geschillencommissie Scholen*)
Date of first appointment to the Supervisory Board	June 2009
Current term of appointment to the Supervisory Board	June 2009 — June 2013

Mr B. Bijvoet (Bernard)

Date of Birth	12 April 1940
Profession	Professional supervisory director
Main position	None
Nationality	Dutch
Auxiliary positions	Supervisory Directorships: – Member of the Supervisory Board of Rabobank Nederland – Member of the Supervisory Board of Achmea B.V. – Chairman of the Supervisory Board of A-ware Food Group
Date of first appointment to the Supervisory Board	June 2002
Current term of appointment to the Supervisory Board	June 2008 — June 2012

Mr A. de Bruijn (Tom)

Date of Birth	9 July 1953
Profession	– Entrepreneur – Professional director/professional supervisory director
Main position	Grower of cut flowers and potted plants
Nationality	Dutch
Auxiliary positions	Supervisory Directorships: – Member of the Supervisory Board of Rabobank Nederland Other auxiliary positions: – Acting member of the Board of Directors of Vereniging Achmea

	– Chairman Program Advisory Committee Greenhouse Farming Research (Commodity Board for Horticulture/productschap tuinbouw) – Member of the Board of the Dutch Foundation for Innovation in Greenhouse Farming (Stichting Innovatie Glastuinbouw Nederland) – Chairman of the Cooperative Growers Society FresQ (Coöperatieve Telersvereniging) – Member of the Board of the Dutch Produce Association (Branch association of market organisations in vegetables, fruit and fungi in The Nederlands)
Date of first appointment to the Supervisory Board	June 2009
Current term of appointment to the Supervisory Board	June 2009 — June 2013
Mr W. Dekker (Wout)	
Date of Birth	10 November 1956
Profession	– Professional director
Main position	Chief Executive Officer/Chairman Executive Board Nutreco N.V.
Nationality	Dutch
Auxiliary Positions	Supervisory Directorships: – Member of the Supervisory Board of Rabobank Nederland – Member Supervisory Board (member audit committee, member Remuneration Committee) Macintosh Retail Group N.V. Other auxiliary positions: – Member Taskforce Biodiversity & Natural Resources – Member Advisory Council for Issuers NYSE Euronext Amsterdam
Date of first appointment to the Supervisory Board	June 2010
Current term of appointment to the Supervisory Board	June 2010 — June 2012
Mrs L.O. Fresco (Louise)	
Date of Birth	11 February 1952
Profession	– Professional director – Professor
Main positions	– University Professor, University of Amsterdam
Nationality	Dutch
Auxiliary positions	Supervisory Directorships: – Member of the Supervisory Board of Rabobank Nederland – Non-executive Director, Unilever N.V./Unilever PLC Other auxiliary positions: – Crown-Appointed Member of the Social and Economic Council of the Netherlands (SER) – Distinguished Professor at Wageningen University – Member of the Recommendation Committee for the University Asylum Fund – Vice-chairman of the Board of Supervision of the United Nations University in Tokyo

	– Member Royal Holland Society of Sciences and Humanities – Member Royal Netherlands Academy of Arts and Sciences – Member of the Spanish Academy of Engineering Sciences and the Swedish Academy of Agricultural and Forestry Sciences – Member of the Advisory Board of Wereldvoedselprijs (World Food Prize) – Member of the Board of Erasmusprijs – Member of the Board of the Concertgebouworkest – Member of the former Delta Committee – Member of the Trilateral Committee – Member InterAcademy Council – Columnist NRC Handelsblad
Date of first appointment to the Supervisory Board	June 2006
Current term of appointment to the Supervisory Board	June 2010 — June 2014
Mr S.L.J. Graafsma RA (Leo)	
Date of Birth	29 March 1949
Former profession	– Accountant/associate of an audit, tax and advisory firm
Nationality	Dutch
Auxiliary Positions	– Deputy member of the ''Accountantskamer'' (Chamber of accountants) resulting from the ''Wet Tuchtrechtspraak Accountants'' (Disciplinary jurisdiction accountants)
Date of first appointment to the Supervisory Board	June 2010
Current term of appointment to the Supervisory Board	September 2010 — June 2014
Mr E.A.J. van de Merwe (Erik)	
Date of Birth	30 December 1950
Profession	– Advisor – Professional director/professional supervisory director
Nationality	Dutch
Auxiliary Positions	Supervisory Directorships: – Member of the Supervisory Board of Rabobank Nederland – Chairman of the Supervisory Board of Fornix Biosciences N.V. – Chairman of the Supervisory Board (and audit committee) of Staalbankiers N.V. – Chairman of the Supervisory Board (and audit committee) of Achmea Bank Holding N.V. – Chairman of the Supervisory Board of Welke Beheer N.V. – Member of the Supervisory Board (and Chairman of the audit committee) of Achmea B.V. Other auxiliary positions: – Non-executive Chairman of GWK Travelex N.V.

	– Member of the Board of Directors of Vereniging Achmea – Member of the Board of Governors of the postgraduate study Corporate Compliance, VU University Amsterdam – Member Board of Supervision and Chairman audit committee of the Dutch Burns Foundation (Nederlandse Brandwonden Stichting) – Member Advisory Council Euro Tissue Bank – Member Advisory Council Dutch Institute of Internal Auditors (IIA) – Member Arbitration committee Dutch Securities Institute (DSI) – Jurymember Sijthoff Award
Date of first appointment to the Supervisory Board	June 2010
Current term of appointment to the Supervisory Board	June 2010 — June 2012

Mr M. Minderhoud (Marinus)

Date of Birth	13 September 1946
Profession	None
Main position	None
Nationality	Dutch
Auxiliary Positions	Supervisory Directorships: – Member of the Supervisory Board of Rabobank Nederland – Vice-Chairman of the Supervisory Board of Achmea B.V. – Chairman of the Supervisory Board of Agis Zorgverzekeringen N.V. – Chairman Vodafone International Holdings B.V. – Chairman of Vodafone Europe B.V.
Date of first appointment to the Supervisory Board	June 2002
Current term of appointment to the Supervisory Board	June 2007 — June 2014

Mr M.J.M. Tielen (Martin)

Date of Birth	22 September 1942
Profession	Professor
Main position	Emeritus Professor at Utrecht University
Nationality	Dutch
Auxiliary positions	Supervisory Directorships: – Member of the Supervisory Board of Rabobank Nederland Other auxiliary positions: – Chairman Evaluation Team EAEVE to Faculty of Veterinary Medicine, Afyon, Turkey – Chairman of the Stichting Stimulering Agrarisch Onderwijs en Praktijk – Chairman of the Stichting Professor Tielen Fonds – Acting member of the Board of Directors of Vereniging Achmea

	– Professor Honoris Causa University of Environmental and Life Science in Wroclaw, Poland
Date of first appointment to the Supervisory Board	June 2002
Current term of appointment to the Supervisory Board	June 2009 — June 2013

Mr C.P. Veerman (Cees)

Date of Birth	8 March 1949
Profession	– Professor – Professional director/supervisory director
Main positions	– CEO of Bracamonte B.V. in Groesbeek – Professor at Tilburg University and Wageningen University focusing on the field of sustainable rural development from a European perspective – Crop farmer
Nationality	Dutch
Auxiliary positions	Supervisory Directorships: – Member of the Supervisory Board of Rabobank Nederland – Member of the Supervisory Board of USG People – Member of the Supervisory Board of DHV Holding B.V. – Member of the Supervisory Board of Prominent – Member of the Supervisory Board of Barenbrug B.V. – Chairman of the Supervisory Board of Koninklijke Reesink N.V. – Member of the Supervisory Board of Ikazia Hospital Rotterdam – Member of the Supervisory Board of KDS – Chairman of the Board of Supervision of the knowledge for Climate (Kennis voor Klimaat) – Chairman of the Board of Supervision Deltares Other auxiliary positions: – Chairman Deltacommissie (2008) – Chairman of the Committee for the long term education system – Chairman of the Society for the Preservation of Nature Reserves in the Netherlands (Vereniging Natuurmonumenten) – Chairman Project Administration Noord Zuidlijn – Chairman Board of Supervision Roosevelt Academy – Chairman Review Committee TI Pharma – Chairman Committee Toekomstbestendig Hoger Onderwijs Stelsel – Chairman Advisory Board Dutch Delta Academy – Member of the Governing Board of the Netherlands Organisation for Scientific Research (NWO)
Date of first appointment to the Supervisory Board	June 2007
Current term of appointment to the Supervisory Board	June 2007 — June 2015

Executive Board of Rabobank Nederland

Name	Born	Year Appointed	Nationality
Piet (P.W.) Moerland, Chairman	1949	2009	Dutch
Bert (A.) Bruggink, CFO	1963	2004	Dutch
Berry (B.J.) Marttin	1965	2009	Dutch and Brazilian
Sipko (S.N.) Schat	1960	2006	Dutch
Piet (P.J.A.) van Schijndel	1950	2002	Dutch
Gerlinde (A.G.) Silvis	1959	2009	Dutch

Piet (P.W.) Moerland: Mr. Moerland was appointed to Rabobank Nederland's Executive Board as of 1 January 2003 and was appointed Chairman of the Executive Board of Rabobank Nederland as of 1 July 2009. Mr. Moerland is responsible for Audit Rabobank Group and the Supervisory and Legal and Fiscal Affairs directorates. His portfolio furthermore includes the Knowledge & Economic Research and Communications directorates. After completing his degree and dissertation in the field of economics at the Erasmus University of Rotterdam in 1978, Mr. Moerland undertook a position with Rabobank Nederland's Central Group Staff from 1979 to 1980. Mr. Moerland then took a position as a professor of business administration with a focus on economics at the University of Groningen from 1981 to 1987 and as a professor of business economics with a focus on corporate finance at the University of Tilburg from 1988 to 2002. Mr. Moerland also had a sponsored chair as a professor of corporate governance at the University of Tilburg. Mr. Moerland is a member of the supervisory board of Rabohypotheekbank and a member of the shareholders' council of Rabo Development B.V. Outside Rabobank, Mr. Moerland serves as chairman of the European Association of Co-operative Banks (Groupement), member of the board of directors of International Raiffeisen Union (IRU), Member of the Board of the National Co-operative Council for Agriculture and Horticulture of the Netherlands (NCR) and member of the board of the Dutch Bach Association.

Bert (A.) Bruggink: Mr. Bruggink was appointed Chief Financial Officer of the Executive Board of Rabobank Nederland as of 15 November 2004. Mr. Bruggink is responsible for Control Rabobank Group, Credit Risk Management, Group Risk Management, Treasury Rabobank Group and Special Asset Management Rabobank. Mr. Bruggink joined Rabobank Group in 1986. After several different jobs in Finance and Control within Rabobank Group, he became Head of Finance and Control Rabobank International (1994-1998) and Group Finance Director Rabobank Group (1998-2004). As CFO he fulfils several additional functions. He is a member of the supervisory boards of Rabohypotheekbank, IPB Holding B.V., Rabo Herverzekeringsmaatschappij N.V., Robeco, the Nederlandse Financierings Maatschappij voor Ontwikkelingslanden (FMO), Friesland Bank N.V. and Rabo Cycling Teams (*Rabo Wielerploegen B.V.*). Mr. Bruggink is chairman of the board of the Rabobank Pension Fund and a member of the board of directors of Rabo Groei Sparen B.V. Furthermore, he is a member of the Supervisory Board of ROVA, member of the supervisory board of Windesheim University of Applied Sciences and professor at Twente University.

Berry (B.J.) Marttin: Mr. Marttin was appointed to Rabobank Nederland's Executive Board as of 1 July 2009. Mr. Marttin joined Rabobank in 1990. Within the Executive Board, Mr. Marttin is responsible for the international retail network, the regional international operations, international risk management and Rabobank Development. Shortly after earning his degree in business administration in Brazil, he went to work for Rabobank as an international management trainee. During the more than 14 years that he worked for Rabobank International on various continents and in a range of roles, he gained extensive experience as an international banker in both wholesale banking and retail banking. After fulfilling a number of positions in Brazil, Mr. Marttin was appointed senior marketing officer in Curacao. In 1997 he continued his career as Head of International Corporates in Hong Kong. Mr. Marttin subsequently moved to Indonesia four years later to take up an appointment as Head of Risk Management. Thereafter, Mr. Marttin served as Deputy General Manager of Rural Banking in Australia and New Zealand. Prior to his appointment to Rabobank Nederland's Executive Board, he was Chairman of the board of directors of Rabobank Amsterdam. Mr. Marttin serves as chairman of the Foundation Supervision Internal Market Rabo Extra Member Notes (Stichting Toezicht Interne Markt Rabo Extra Ledenobligaties)

and member of the supervisory boards of Rabohypotheekbank and De Lage Landen. Mr. Marttin is a member of the board of directors of Rabobank International Holding, a member of the board of RI Investments Holding B.V. and chairman of the shareholders' council of Rabo Development B.V. Mr. Marttin is a member of the Steering Committee Unico Banking Group, vice chairman of the board of directors of the American Chambers of Commerce in the Netherlands, member of the Dutch Trade Board, member of the Amsterdam Climate Council, member of the supervisory boards of Wageningen University and the Sustainable Trade Initiative (*Initiatief Duurzame Handel*), chairman of the advisory board of Amsterdam University College and member of the advisory board of JINC.

Sipko (S.N.) Schat: Mr. Schat was appointed to Rabobank Nederland's Executive Board as of 1 July 2006. Mr. Schat is responsible for Rabobank International's Wholesale Clients division, leading the Wholesale management team. Areas of responsibility are Wholesale Clients Netherlands, Wholesale Clients International, Professional Products and Global Financial Markets. Mr. Schat took a position as in-house counsel with Rabobank Nederland between 1985 and 1990. Mr. Schat was senior manager Structured Finance between 1990 and 1995, Head Corporate Finance of Rabobank Ireland plc between January 1994 and December 1994, Head Structured Finance Europe between 1995 and 1999 and Head Corporate Finance of Rabobank International between 1999 and 2002. Mr. Schat also held positions as Head Corporate Finance (worldwide), member of the Supervisory Board of Rabobank Ireland plc and Managing Director of Rabo Merchant Bank N.V. As of April 2002 responsible for North and South America and as of September 2004 responsible for Corporate Finance, Trade Finance, Private Equity and Corporate Advisory. He is also a member of the supervisory boards of Rabo Bouwfonds Holding N.V., Rabo Vastgoedgroep, Rabohypotheekank, Bank Sarasin & Cie AG and Rothschilds Continuation Holding AG. Mr. Schat is a member of the board of directors of Rabobank International Holding and a member of the board of RI Investments Holding B.V. Mr. Schat also holds some external positions on behalf of the Rabobank Group: member of the Advisory Committee of Issuing Institutions (Euronext), member of the board of the Confederation of Netherlands Industry and Employers VNO-NCW, member of the Steering Committee of Unico Banking Group and member of the Advisory Council Executive Master Business Valuation at the University of Groningen.

Piet (P.J.A.) van Schijndel: Mr. van Schijndel was appointed to Rabobank Nederland's Executive Board as of 1 December 2002. Mr. van Schijndel is responsible for the Retail, Private Banking and Group ICT directorates. Mr. van Schijndel took a position as a management consultant with Rabobank Nederland from 1975 to 1977. From 1977 to 1979, Mr. van Schijndel was Head of Insurance Administration. From 1979 to 1983, Mr. van Schijndel was a member of the Staff Group Directorate Insurance. Thereafter, he served as Acting Head and Head of the Insurance and Travel Directorate from 1983 to 1986 and from 1986 to 1990, respectively, Vice-chairman of the Executive Board of Interpolis from 1990 to 1997 and Chairman of the Executive Board of Interpolis from 1998 to 2002. Mr. van Schijndel serves as chairman of the supervisory boards of De Lage Landen, Obvion and Friesland Bank N.V. and as vice chairman of the supervisory board of Robeco. Furthermore, Mr. van Schijndel is a member of the board of directors of the NVB (Association of Dutch Banks), a member of the board of the Netherlands Red Cross, a member of the Supervisory Boards of St. Elisabeth Hospital Tilburg and CSU Total Care, chairman of the boards of advisors of the Dutch E-work Foundation (*TelewerkForum*) and of the Industrial Engineering & Innovation Sciences Faculty of Eindhoven University of Technology, vice chairman of the Oisterwijk-Haaren chapter of the Red Cross and chairman of the Friends of the Oisterwijks Brass Band Foundation.

Gerlinde (A.G.) Silvis: Mrs. Silvis was appointed to Rabobank Nederland's Executive Board as of 1 July 2009. Mrs. Silvis is responsible for the Small- and Medium-Sized Enterprises, Company Management, Co-operative, Management & Sustainability Affairs and Human Resources directorates. Mrs. Silvis joined Rabobank in 1984. Having begun working for Rabobank Nederland as a management trainee, she then went on to hold a number of positions within the securities division, the international division, the payments division and Rabofacet. In her role as Head of Administrative Affairs, she was closely engaged in the process of merging local Rabobanks. In recent years, she has served as Head of the Management and Talent Development Directorate and has been responsible for merging the Human Resources and Management and Talent Development directorates into a single directorate providing integrated services for the entire Rabobank Group. Mrs. Silvis serves as chairman of the boards of the Foundation Contingency Fund Rabobanken (*Stichting Garantiefonds Rabobanken*), the Rabobank Guarantee Foundation

(*Stichting Waarborg Rabobank*) and the Supervision Internal Market Rabobank Member Certificates Foundation (*Stichting Toezicht Interne Markt Rabobank Ledencertificaten*). Mrs. Silvis is also a member of the board of the Rabobank Foundation and a member of the supervisory boards of Rabohypotheekbank, De Lage Landen and Friesland Bank N.V. Outside of Rabobank she serves as a member of the board of the NVB (Dutch Association of Banks), a member of the board of directors of Holland Financial Centre, a member of the INSEAD Dutch Council, member of the supervisory board of Koninklijke Kentalis Zorggroep and member of the supervisory boards of Stadsschouwburg Amsterdam and of the Amsterdam Institute of Finance.

Administrative, management and supervisory bodies — conflicts of interests

The Issuer is not aware of any potential conflicts of interest between the duties to Rabobank and their private interests or other duties of the persons listed above under ''Supervisory Board of Rabobank Nederland'' and ''Executive Board of Rabobank Nederland''.

Administrative, management and supervisory bodies — business address

The business address of the members of Rabobank's Supervisory Board and Executive Board is Croeselaan 18, 3521 CB Utrecht, the Netherlands.

REGULATION OF RABOBANK GROUP

Rabobank Nederland is a bank organised under the laws of the Netherlands. The principal Dutch law on supervision applicable to Rabobank Nederland is the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), which entered into force on 1 January 2007 and under which Rabobank Nederland is supervised by the Dutch Central Bank (*De Nederlandsche Bank N.V.*), the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten* or the "**AFM**") and the Dutch Ministry of Finance (*Ministerie van Financiën*). Rabobank Nederland and the various Rabobank Group entities are also subject to certain European Union ("**EU**") legislation, which has a significant impact on the regulation of Rabobank Group's banking, asset management and broker-dealer businesses in the EU, and the regulation and supervision of local supervisory authorities of the various countries in which Rabobank Group does business.

Basel Standards

The Basel Committee on Banking Supervision of the Bank for International Settlements (the "**Basel Committee**") develops international capital adequacy guidelines based on the relationship between a bank's capital and its credit risks. In this context, on 15 July 1988, the Basel Committee adopted risk-based capital guidelines (the "**Basel guidelines**"), which were implemented by banking regulators in the countries that have endorsed them. The Basel guidelines are intended to strengthen the soundness and stability of the international banking system. The Basel guidelines are also intended to reduce competitive inequality among international banks by harmonising the definition of capital and the rules for the evaluation of asset risks and by establishing a uniform target capital base ratio (capital to risk-weighted assets). Supervisory authorities in each jurisdiction have, however, some discretion in determining whether to include particular instruments as capital under the Basel guidelines and to assign different weights, within a prescribed range, to various categories of assets. The Basel guidelines were adopted by the European Community and applied to all banks and investment firms in the EU, and on 1 January 1991, the Dutch Central Bank implemented them and they were made part of Dutch regulations.

In June 1999, the Basel Committee proposed a review of the Basel guidelines of 1988. A new accord ("**Basel II**" — the previous Basel guidelines being referred to as "**Basel I**") was published in June 2004. Basel II is a flexible framework that is more closely in line with internal risk control and that results in a more sophisticated credit risk weighting. The Basel II framework, consisting of three "pillars", reinforces these risk-sensitive requirements by laying out principles for banks to assess the adequacy of their capital ("**Pillar 1**") and for supervisors to review such assessments to ensure banks have adequate capital to support their risks ("**Pillar 2**"). It also seeks to strengthen market discipline by enhancing transparency in banks' financial reporting ("**Pillar 3**").

Basel II provides a range of options for determining the capital requirements for credit risk and also operational risk. In comparison to Basel I, Pillar 1 of the new capital framework aligns the minimum capital requirements more closely to each bank's actual risk of economic loss. Pursuant to Pillar 2, effective supervisory review of banks' internal assessments of their overall risks is exercised to ensure that bank management is exercising sound judgement and has reserved adequate capital for these risks. Pillar 3 uses market discipline to motivate prudent management by increasing transparency in banks' public reporting.

Instead of the previous "one size fits all" approach, under Basel II banks have the option to choose between various approaches, each with a different level of sophistication in risk management, ranging from simple via intermediate to advanced, giving banks the possibility to select approaches that are most appropriate for their operations and their financial market infrastructure.

For credit risk, banks can choose between the "Standardised Approach", the "Foundation Internal Ratings Based Approach" and the "Advanced Internal Ratings Based Approach". The Standardised Approach is based on external credit ratings and is the least complex. The two Internal Ratings Based Approaches allow banks to use internal credit rating systems to assess the adequacy of their capital. The Foundation Internal Ratings Based Approach allows banks to use their own credit rating systems with respect to the "Probability of Default". In addition to this component of credit risk, the Advanced Internal Ratings Based Approach allows banks to use their own credit rating systems with respect to the "Exposure at Default" and the "Loss Given

Default''. Rabobank Group has chosen the most sophisticated approach, the Advanced Internal Ratings Based Approach.

For operational risk, banks can also choose between three approaches with different levels of sophistication, the most refined one being the ''Advanced Measurement Approach''. Rabobank Group has chosen the Advanced Measurement Approach.

In the future, under Basel III, capital and liquidity requirements will increase. On 17 December 2009, the Basel Committee proposed a number of fundamental reforms to the regulatory capital framework in its consultative document entitled ''Strengthening the resilience of the banking sector''. The Basel Committee published its economic impact assessment on 18 August 2010 and, on 12 September 2010, the Group of Governors and Heads of Supervision, the oversight body of the Basel Committee, announced further details of the proposed substantial strengthening of existing capital requirements. On 16 December 2010 the Basel Committee issued its final view on Basel III. The framework sets out rules for higher and better quality capital, better risk coverage, the introduction of a leverage ratio as a backstop to the risk-based requirements, measures to promote the build-up of capital that can be drawn down in periods of stress, and the introduction of two liquidity standards. The Basel Committee's package of reforms includes increasing the minimum common equity (or equivalent) requirement from 2 per cent. (before the application of regulatory adjustments) to 4.5 per cent. (after the application of stricter regulatory adjustments which will be gradually phased in from 1 January 2013 until 1 January 2017). 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 of up to 2.5 per cent. of common equity (or other fully loss absorbing capital) may be applied as an extension of the conservation buffer. Furthermore, banks considered to have systemic importance should have loss absorbing capacity beyond these standards. The capital requirements are to be supplemented by a leverage ratio, and a liquidity coverage ratio and a net stable funding ratio will also be introduced. The proposed reforms are expected to be implemented from the beginning of 2013, although certain requirements are subject to a series of transitional arrangements and will be phased in over a period of time, to become fully effective by 2019.

The Basel Committee's reforms have introduced two international minimum standards for liquidity risk supervision with the aim of ensuring banks have an adequate liquidity buffer to absorb liquidity shocks. The first one is the liquidity coverage ratio (''**LCR**''; to be introduced on 1 January 2015), which is a test to promote short-term resilience of a bank's liquidity risk profile by ensuring that it has sufficiently high-quality liquid assets to survive a significant stress scenario lasting for 30 days. The second one is a net stable funding ratio (''**NSFR**''; to be introduced on 1 January 2018), which is a test to promote resilience over a longer period by creating additional incentives for banks to fund their activities with more stable funding on an ongoing basis. The NSFR test is similar to the LCR except the period over which it is tested is one year.

There can be no assurance that, prior to its implementation in 2013, the Basel Committee will not amend the package of reforms described above. Further, the European Commission and/or the Dutch Central Bank may implement the package of reforms in a manner that is different from that which is currently envisaged, or may impose additional capital requirements on Dutch banks.

European Union standards

The European Union had adopted a capital adequacy regulation for credit institutions in all its member states based on the Basel I guidelines. In 1989, the EC adopted the Council Directive of 17 April 1989 on the ''own funds'' of credit institutions (the ''**Own Funds Directive**''), defining qualifying capital (''**own funds**''), and the Council Directive of 18 December 1989 on a solvency ratio for credit institutions (the ''**Solvency Ratio Directive**'' and, together with the Own Funds Directive, the ''**Capital Directives**''), setting forth the required ratio of own funds to risk-adjusted assets and off-balance sheet items. The Capital Directives required EU member states to transform the provisions of the Solvency Ratio Directive and the provisions of the Own Funds Directive into national law directly binding on banks operating in the member states. The Capital Directives permitted EU member states, when transforming the Capital Directives into national law, to establish more stringent, but not more lenient requirements. In 1993, the EC adopted the

Directive of 15 March 1993 on the capital adequacy of investment firms and credit institutions (''**EEC Directive 1993/6**'') and in 2000 the Directive of 20 March 2000 on the taking up and pursuit of the Business of Credit Institutions (''**EC Directive 2000/12**''), which directive consolidated various previous directives, including the Capital Directives.

EC Directive 2000/12 and EEC Directive 1993/6 have been recast by EC Directives 2006/48 and 2006/49 (the ''**Capital Requirements Directive**''), respectively, to introduce the new capital requirements framework agreed by the Basel Committee. The new rules on capital requirements reflect the flexible structure and the major components of Basel II, tailored to the specific features of the EU market. The simple and intermediate approaches of Basel II have been available from January 2007 and the most advanced approaches since January 2008.

On 16 December 2002, the EU adopted a directive on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate. This directive aims to address the supervisory issues that arise from the blurring of distinctions between the activities of firms in each of the banking, securities, investment services and insurance sectors. The main objectives of the directive are to:

- ensure that a financial conglomerate has adequate capital;
- introduce methods for calculating a conglomerate's overall solvency position;
- deal with the issues of intra-group transactions, exposure to risk and the suitability and professionalism of management at financial conglomerate level; and
- prevent situations in which the same capital is used simultaneously as a buffer against risk in two or more entities which are members of the same financial conglomerate (''**double gearing**'') and where a parent issues debt and downstreams the proceeds as equity to its regulated subsidiaries (''**excessive leveraging**'').

The directive was implemented in the Netherlands in the Dutch Financial Supervision Act that came into effect on 1 January 2007.

The Capital Requirements Directive has been amended three times in 2009 and once in 2010 to repair shortcomings identified in the original Capital Requirements Directive. The amendments entered into force as of 31 December 2010 and certain further amendments as of 31 December 2011. Further amendments to the Capital Requirements Directive are expected to take place from 1 February 2013 onwards.

In 2010, agreement was reached at EU level on the introduction of a new supervisory structure for the financial sector. The new European architecture consists of the existing national authorities and the newly created European Systemic Risk Board (''**ESRB**'') and the following three European Authorities: European Banking Authority (''**EBA**''), European Insurance and Occupational Pensions Authority (''**EIOPA**'') and European Securities and Markets Authorities (''**ESMA**''). These institutions have been in place since 1 January 2011. Operational day-to-day supervision continues to be with national supervisors.

The European Commission intends to propose a European Crisis Management Framework. In this framework different issues will be addressed, such as prevention tools and early intervention and final resolution mechanisms. Rabobank Group generally supports the Basel Committee and European Commission reform programmes to strengthen the global capital and liquidity regulations and reduce market volatility. Notwithstanding, a number of proposals may hamper traditional retail-oriented institutions in their intermediary function, and thus reduce their ability to play their important role in the European economy. Further, the new rules still allow national regulators a measure of autonomy. For instance, the liquidity requirements assign relatively extensive powers to national regulators, which may affect the level playing field in the European Internal Market. Hence the biggest challenge for policy makers and supervisors is to take a coordinated and unified approach. It is essential that supervisors and regulators across the globe adopt a more consistent and coordinated approach (for example, while Europe is already introducing Basel III, Basel II is not yet fully applied in the US).

If the regulatory capital requirements, liquidity restrictions or ratios applied to Rabobank Group are increased in the future, any failure of Rabobank Group to maintain such increased regulatory capital ratios could result in administrative actions or sanctions, which may have an adverse effect on Rabobank Group's operating results, financial condition and prospects.

Dutch regulation

General

As of September 2002, banking supervision in the Netherlands has been divided into prudential supervision, carried out by the Dutch Central Bank, and conduct of business supervision, carried out by the AFM.

Pursuant to authority granted under the Dutch Financial Supervision Act, the Dutch Central Bank, on behalf of the Dutch Minister of Finance, supervises and regulates the majority of Rabobank Group's activities. The AFM supervises primarily the conduct of business. Set forth below is a brief summary of the principal aspects of the Dutch Financial Supervision Act.

Scope of the Dutch Financial Supervision Act

A bank is any enterprise whose business it is to receive repayable funds from outside a closed circle and from others than professional market parties, and to grant credits for its own account. Rabobank Nederland and various Rabobank Group entities, including each of the local Rabobanks, are banks and, because they are engaged in the securities business as well as the commercial banking business, each is considered a ''universal bank''.

Licensing

Under the Dutch Financial Supervision Act, a bank established in the Netherlands is required to obtain a licence from the Dutch Central Bank before engaging in any banking activities. The requirements to obtain a licence, among others, are as follows: (i) the day-to-day policy of the bank must be determined by at least two persons; (ii) the bank must have a body of at least three members which has tasks similar to those of a board of supervisory directors; and (iii) the bank must have a minimum own funds (*eigen vermogen*) of €5,000,000. Also, the Dutch Central Bank shall refuse to grant a licence if, among other things, it is of the view that (i) the persons who determine the day-to-day policy of the bank have insufficient expertise to engage in the business of the bank, (ii) the trustworthiness of the persons who determine the policy of the bank is not beyond doubt, or (iii) through a qualified holding in the bank, influence on the policy of such enterprise or institution may be exercised which is contrary to ''prudent banking policy'' (*gezonde en prudente bedrijfsvoering*). In addition to certain other grounds, the licence may be revoked if a bank fails to comply with the requirements for maintaining it.

Reporting and investigation

A bank is required to file with the Dutch Central Bank its annual financial statements in a form approved by the Dutch Central Bank, which includes a statement of financial position and a statement of income that have been certified by an appropriately qualified auditor. In addition, a bank is required to file quarterly (and some monthly) statements, on a basis established by the Dutch Central Bank, which also has the option to demand more frequent reports.

Rabobank Nederland and the local Rabobanks must file consolidated quarterly (and some monthly) reports as well as annual reports that provide a true and fair view of their respective financial position and results with the Dutch Central Bank. Rabobank Nederland's independent auditor audits these reports annually.

Under the Dutch Financial Supervision Act, Rabobank Nederland is required to make its annual financial statements and its semi-annual financial statements generally available to the public within four months and two months, respectively, of the end of a period to which the financial information relates. The annual and semi-annual financial statements must be filed with the AFM simultaneously with their publication.

Supervision

The Dutch Central Bank exercises supervision with respect to the solvency and liquidity of banks, supervision of the administrative organisation of banks and structure supervision relating to banks. To this end, the Dutch Central Bank has issued the following general regulations:

Solvency supervision

The regulations of the Dutch Central Bank on solvency supervision require — in broad terms — that a bank maintains own funds in an amount equal to at least 8 per cent. of its risk-weighted assets and operations. These regulations also impose limitations on the aggregate amount of claims (including extensions of credit) a bank may have against one debtor or a group of related

debtors. Since the implementation of the Dutch Financial Supervision Act, the regulations have become more sophisticated, being derived from the new capital measurement guidelines of Basel II as described under ''Basel standards'' above and as laid down in EU directives described above under ''European Union standards''. For credit risk Rabobank uses the Advanced Internal Ratings Based Approach. For operational risk, Rabobank uses the most refined approach, the Advanced Measurement Approach.

Liquidity supervision

The regulations of the Dutch Central Bank relating to liquidity supervision require that a bank maintains sufficient liquid assets against certain liabilities of the bank. The basic principle of the liquidity regulations is that liquid assets must be held against ''net'' liabilities of banks (after netting out claims and liabilities in a maturity schedule) so that the liabilities can be met on the due dates or on demand, as the case may be. These regulations impose additional liquidity requirements if the amount of liabilities of a bank with respect to one debtor or group of related debtors exceeds a certain limit.

Structure supervision

The Dutch Financial Supervision Act provides that a bank must obtain a declaration of no-objection from the Dutch Central Bank before, among other things, (i) reducing its own funds (*eigen vermogen*) by way of repayment of capital or distribution of reserves or making disbursements from the item comprising the cover for general banking risks as referred to in article 2:424 of the Dutch Civil Code, (ii) acquiring or increasing a qualified holding in a bank, investment firm or insurer with its statutory seat in a state which is not part of the European Economic Area, if the balance sheet total of that bank, investment firm or insurer at the time of the acquisition or increase amounts to more than 1 per cent. of the bank's consolidated balance sheet total, (iii) acquiring or increasing a qualified holding in an enterprise, not being a bank, investment firm or insurer with its statutory seat in the Netherlands or in a state which is part of the European Economic Area or in a state which is not part of the European Economic Area, if the amount paid for the acquisition or increase, together with the amounts paid for a previous acquisition or increase of a holding in such enterprise, amounts to more than 1 per cent. of the consolidated own funds of the bank, (iv) taking over all or a major part of the assets and liabilities of another enterprise or institution, directly or indirectly, if the total amount of the assets or the liabilities to be taken over amounts to more than 1 per cent. of the bank's consolidated balance sheet total, (v) merging with another enterprise or institution if the balance sheet total thereof amounts to more than 1 per cent. of the bank's consolidated balance sheet total or (vi) proceeding with a financial or corporate reorganisation. For the purposes of the Dutch Financial Supervision Act, ''**qualified holding**'' is defined to mean the holding, directly or indirectly, of an interest of at least 10 per cent. of the issued share capital or voting rights in an enterprise, or a similar form of control.

In addition, any person is permitted to hold, acquire or increase a qualified holding in a Dutch bank, or to exercise any voting power in connection with such holding, only after such person has obtained a declaration of no objection from the Dutch Central Bank.

Administrative supervision

The Dutch Central Bank also supervises the administrative organisation of the individual banks, their financial accounting system and internal controls. The administrative organisation must be such as to ensure that a bank has at all times a reliable and up-to-date overview of its rights and obligations. Furthermore, the electronic data processing systems, which form the core of the accounting system, must be secured in such a way as to ensure optimum continuity, reliability and security against fraud. As part of the supervision of the administrative organisation, the Dutch Central Bank has also stipulated that this system must be able to prevent conflicts of interests, including the abuse of inside information.

Emergencies

The Dutch Financial Supervision Act contains an ''emergency regulation'' which can be declared in respect of a bank by a Dutch court at the request of the Dutch Central Bank in the interest of the combined creditors of the bank. As of the date of the emergency, only the court-appointed administrators have the authority to exercise the powers of the bodies of the bank. A bank can also be declared in a state of bankruptcy by the court.

U.S. regulation

Dodd-Frank

The Dodd-Frank Act provides a broad framework for significant regulatory changes, the full effect of which can only be assessed when final rules are implemented. Among other things, the Dodd-Frank Act provides for new or enhanced regulations regarding: (i) systemic risk oversight, (ii) bank capital standards, (iii) the liquidation of failing systemically significant financial institutions, (iv) OTC derivatives, (v) the ability of banking entities to engage in proprietary trading activities and invest in hedge funds and private equity (the so-called "Volcker rule") and (vi) consumer and investor protection. Implementation of the Dodd-Frank Act will require further detailed rulemaking over several years by different U.S. regulators, including the Department of the Treasury, the Federal Reserve, the SEC, the FDIC, the CFTC and the newly created FSOC, and uncertainty remains about the final details, timing and impact of the rules.

CAPITALISATION OF RABOBANK GROUP

The following table sets forth in summary form Rabobank Group's consolidated own funds and consolidated long-term and short-term debt securities at 31 December 2011 and at 31 December 2010:

	At 31 December	
(in millions of euro)	2011	2010
Capitalisation of Rabobank Group		
Equity of Rabobank Nederland and local Rabobanks	26,500	24,749
Equity instruments issued directly		
Rabobank Member Certificates	6,614	0
Capital Securities	7,645	4,790
	40,759	29,539
Equity instruments issued by subsidiaries		
Rabobank Member Certificates	0	6,583
Capital Securities	167	163
Trust Preferred Securities III to VI	1,399	1,353
	1,566	8,099
Non-controlling interests	2,676	3,119
Total equity	45,001	40,757
Subordinated debt	2,413	2,482
Long-term debt securities in issue	143,134	124,024
Short-term debt securities in issue	70,307	72,795
Total capitalisation	260,855	240,058
Breakdown of reserves and retained earnings		
Revaluation reserves for available-for-sale financial assets	93	48
Other reserves	40	80
Retained earnings	26,367	24,621
Total reserves and retained earnings	26,500	24,749

There has been no material change in the capitalisation of Rabobank Group since 31 December 2011.

RABOBANK AUSTRALIA BRANCH

ABN 70 003 917 655

Rabobank Australia Branch is otherwise described as the Australian Branch of Rabobank Nederland.

Rabobank Australia Group encompasses all the operating entities of Rabobank Group in Australia and New Zealand, including the Australian Branch of Rabobank Nederland, the New Zealand Branch of Rabobank Nederland, Rabobank Australia Limited, Rabo Australia Limited and Rabobank New Zealand Limited, together with their subsidiary companies.

Rabobank Nederland entered the Australian market in 1990 through the establishment of a representative office. This office acted as a liaison office for the global Rabobank Group by fulfilling a supporting and advisory role with respect to business and marketing opportunities in both Australia and New Zealand.

In 1996, Rabobank Nederland was granted banking authorities to engage in banking on a branch basis in Australia and New Zealand. Rabobank Australia Branch is the holder of an Australian Financial Services Licence. This is in line with Rabobank Nederland's international strategy, which is primarily targeted at establishing Rabobank Nederland as a global leader in the financing of international food and agri business.

The Australian-based Rabobank Australia Group office staff are all employed by Rabobank Australia Branch.

Rabobank Australia Branch does not publish annual or interim accounts. Because it is a branch of Rabobank Nederland, its financial results are incorporated in the financial statements of Rabobank Nederland.

Rabobank Australia Branch is not a stand-alone or separately incorporated legal entity and it does not have any share capital.

RABOBANK SINGAPORE BRANCH

Rabobank Singapore Branch is the Singapore Branch of Rabobank Nederland.

Rabobank Nederland entered the Singaporean market in 1986 through the establishment of Rabobank Singapore Branch (which was then licensed to operate as an Offshore Bank in Singapore by the Monetary Authority of Singapore). Rabobank Singapore Branch is registered as a foreign company with the Accounting and Corporate Regulatory Authority in Singapore and currently bears the registration number S86FC3634A.

Rabobank Singapore Branch is currently licensed as a Wholesale Bank by the Monetary Authority of Singapore to carry out a wide range of approved banking business.

Rabobank Singapore Branch prepares and files with the Accounting and Corporate Regulatory Authority in Singapore annual statutory accounts that reflect its operations in Singapore only. Rabobank Singapore Branch does not publish interim accounts. Because it is a branch of Rabobank Nederland, its financial results are incorporated in the financial statements of Rabobank Nederland.

Rabobank Singapore Branch is not a separately incorporated legal entity and its capital is not represented by shares.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required, from 1 July 2005, to provide to the tax authorities of another Member State details of payment of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). The Savings Directive provides for current withholding tax rate of 35 per cent.

Also with effect from 1 July 2005, a number of non-EU countries including Switzerland, and certain dependent or associated territories of certain Member States have agreed to adopt similar measures (either provision of information or transitional withholding) (a withholding system in the case of Switzerland) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

Taxation in the Netherlands

The following is intended as general information only and it does not purport to present any comprehensive or complete description of all aspects of Dutch tax law which could be of relevance to a holder of Notes. Prospective holders of a Note (''**Noteholder**'') should therefore consult their tax adviser regarding the tax consequences of any purchase, ownership or disposal of Notes.

The following summary is based on Dutch tax law as applied and interpreted by Dutch tax courts and as published and in effect on the date hereof, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect.

For the purpose of this paragraph, ''**the Netherlands**'' shall mean the part of the Kingdom of the Netherlands in Europe and ''**Dutch Taxes**'' shall mean taxes of whatever nature levied by or on behalf of the Netherlands or any of its subdivisions or taxing authorities.

Withholding tax

All payments in respect of the Notes can be made by the Issuer without withholding or deduction for or on account of any Dutch Taxes.

Taxes on income and capital gains

(a) Residents of the Netherlands

The description of certain Dutch tax consequences in this paragraph is only intended for the following Noteholders:

(i) individuals who are resident or deemed to be resident in the Netherlands;

(ii) individuals who opt to be treated as if resident in the Netherlands for purposes of Dutch taxation ((i) and (ii) jointly ''**Dutch Individuals**''); and

(iii) entities that are subject to the Dutch Corporate Tax Act 1969 (''**CITA**'') and are resident or deemed to be resident of the Netherlands for the purposes of the CITA, excluding:

- pension funds (*pensioenfondsen*) and other entities, that are in full or in part exempt from Dutch corporate tax; and
- investment institutions (*beleggingsinstellingen*); (''**Dutch Corporate Entities**'').

Dutch Individuals not engaged or deemed to be engaged in an enterprise or in miscellaneous activities

Generally, a Dutch Individual who holds Notes (i) that are not attributable to an enterprise from which he derives profits as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to

the equity of such enterprise other than as an entrepreneur or a shareholder, or (ii) from which he derives benefits which are not taxable as benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*), will be subject annually to an income tax imposed on a fictitious yield on such Notes. The Notes held by such Dutch Individual will be taxed under the regime for savings and investments (*inkomen uit sparen en beleggen*). Irrespective of the actual income or capital gains realised, the annual taxable benefit of all the assets and liabilities of a Dutch Individual that are taxed under this regime, including the Notes, is set at a fixed amount. The fixed amount equals 4 per cent. of the net fair market value of these assets and liabilities measured, in general, at the beginning of every calendar year, insofar the net fair market value of these assets and liabilities exceeds a certain threshold. The current tax rate under the regime for savings and investments is a flat rate of 30 per cent.

Dutch Individuals engaged or deemed to be engaged in an enterprise or in miscellaneous activities

Dutch Individuals are generally subject to income tax at progressive rates with a maximum of 52 per cent. with respect to any benefits derived or deemed to be derived from Notes (including any capital gains realised on the disposal thereof) that are either attributable to an enterprise from which a Dutch Individual derives profits, whether as an entrepreneur or pursuant to a co-entitlement to the equity of such enterprise (other than as an entrepreneur or a shareholder), or attributable to miscellaneous activities (*resultaat uit overige werkzaamheden*) including, without limitation, activities which are beyond the scope of normal, active portfolio management (*normaal, actief vermogensbeheer*).

Dutch Corporate Entities

Dutch Corporate Entities are generally subject to corporate tax at statutory rates up to 25 per cent. with respect to any benefits derived or deemed to be derived (including any capital gains realised on the disposal thereof) from Notes.

(b) Non-residents of the Netherlands

A Noteholder other than a Dutch Individual or Dutch Corporate Entity will not be subject to any Dutch Taxes on income or capital gains in respect of the ownership and disposal of the Notes, except if:

- the Noteholder derives profits from an enterprise, in case of an individual Noteholder as an entrepreneur or pursuant to a co-entitlement to the equity of such enterprise other than as an entrepreneur or a shareholder, which enterprise is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands, to which the Notes are attributable; or
- the Noteholder is an individual and derives benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*) as defined in the Personal Income Tax Act 2001 performed in the Netherlands in respect of the Notes, including, without limitation, activities which are beyond the scope of normal, active portfolio management (*normaal, actief vermogensbeheer*); or
- the Noteholder is entitled to a share in the profits of an enterprise managed in the Netherlands, other than by way of the holding of securities, to which the Notes are attributable.

Gift tax or inheritance tax

No gift or inheritance taxes will arise in the Netherlands in respect of the transfer or deemed transfer of the Notes by way of a gift by, or on the death of, a Noteholder who is not a resident or deemed resident of the Netherlands for the purpose of the relevant provisions, provided that:

(i) the transfer is not construed as an inheritance or bequest or as a gift made by or on behalf of a person who, at the time of the gift or death, is or is deemed to be a resident of the Netherlands for the purpose of the relevant provisions; and

(ii) in the case of a gift of Notes by an individual holder who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual holder does not die within 180 days after the date of the gift, while being resident or deemed to be resident of the Netherlands.

Where a gift of Notes only takes place if certain conditions are met, no gift tax will arise if the Noteholder is neither (i) a resident or deemed resident of the Netherlands nor (ii) a resident or deemed resident within 180 days after the date on which the conditions are fulfilled.

For purposes of Dutch gift and inheritance tax, an individual who is of Dutch nationality will be deemed to be a resident of the Netherlands if he has been a resident in the Netherlands at any time during the 10 years preceding the date of the gift or his death. For purposes of Dutch gift tax, an individual will, irrespective of his nationality, be deemed to be resident of the Netherlands if he has been a resident in the Netherlands at any time during the 12 months preceding the date of the gift.

Other taxes

No other Dutch Taxes, such as turnover tax, or other similar tax or duty (including stamp duty and court fees), are due by a Noteholder by reason only of the issue, acquisition or transfer of the Notes.

Residency

A Noteholder will not become a resident, or a deemed resident, of the Netherlands for tax purposes, or become subject to Dutch Taxes, by reason only of the Issuer's performance, or the Noteholder's acquisition (by way of issue or transfer to it), holding and/or disposal of the Notes.

Taxation in Australia

The comments below are of a general nature and are based on provisions currently in force in Australia at the date of this Base Prospectus. They relate to the position of persons who are the beneficial owners of the Notes. The comments are not exhaustive and, in particular, do not deal with the position of certain classes of Noteholders (including, without limitation, custodians and other third parties who hold Notes on behalf of Australian residents or non-residents of Australia who carry on a trade or business at or through a permanent establishment in Australia). Noteholders should consult their own professional advisers in relation to the Australian taxation implications of acquiring, holding or disposing of the Notes in their own particular circumstances.

Withholding taxes

Subject to the application of certain exemptions discussed below, interest paid by Rabobank Australia Branch to non-resident Noteholders who do not carry on a business at or through a permanent establishment in Australia will ordinarily be subject to interest withholding tax imposed under Division 11A of Part III of the *Income Tax Assessment Act 1936* of Australia (the "**Tax Act**"), calculated at 10 per cent. of the gross amount of the interest. Interest withholding tax is a final tax for non-residents. Therefore, these non-resident Noteholders will not be required to lodge an income tax return in Australia merely because they receive interest on the Notes.

Subject to the application of certain exemptions discussed below, interest withholding tax will also apply to interest paid to Australian resident Noteholders who hold Notes in the course of carrying on business at or through a permanent establishment outside Australia. Any interest to which interest withholding tax applies or which is exempted from interest withholding tax (see below) may not be required to be included in such a Noteholders' assessable income in determining their Australian taxable income.

An exemption from Australian interest withholding tax should apply with respect to Notes issued by Rabobank Australia Branch under section 128F of the Tax Act for payments of interest (or amounts in the nature of interest) to non-residents of Australia who do not derive that interest in carrying on business at or through a permanent establishment in Australia, or to Australian residents who derive that interest in carrying on a business at or through a permanent establishment outside Australia, if the requirements of section 128F of the Tax Act are complied with.

Interest (or an amount in the nature of interest) is exempt from Australian interest withholding tax under section 128F of the Tax Act if Rabobank Australia Branch is either:

(a) an Australian resident company at the time the Notes are issued and when the interest is paid; or

(b) a company not resident in Australia carrying on business at or through a permanent establishment in Australia at the time the Notes are issued and when the interest is paid;

and the "public offer" test is satisfied. As at the date of this document, Rabobank Australia Branch is, for the purposes of paragraph (b) above, a company not resident in Australia carrying on business at or through a permanent establishment in Australia.

Broadly, and subject to the exception outlined below, the public offer test is satisfied if the Notes are issued as a result of being offered for issue:

(a) to at least 10 persons each of whom:

  (i) was carrying on a business of providing finance, or investing or dealing in securities, in the course of operating in financial markets; and

  (ii) was not known, or suspected, by Rabobank to be an associate (as defined in subsection (9) of section 128F of the Tax Act) of any of the other persons covered by this paragraph; or

(b) to at least 100 persons whom it is reasonable for Rabobank to regard as having acquired instruments similar to the Notes in the past or being likely to be interested in acquiring instruments similar to the Notes; or

(c) as a result of being accepted for listing on a stock exchange, where Rabobank Australia Branch has entered into an agreement with the dealer, manager or underwriter in relation to the placement of the Notes requiring Rabobank Australia Branch to seek such a listing; or

(d) as a result of negotiations being initiated publicly in electronic form, or in another form, that is used by financial markets for dealing in instruments similar to the Notes; or

(e) to a dealer, manager or underwriter in relation to the placement of the Notes who, under an agreement with Rabobank Australia Branch offered the Notes for sale within 30 days in a way covered by any of paragraphs (a) to (d) above.

In relation to the issue of a Global Note, the "public offer" test will be satisfied if the Global Note falls within the definition of "global bond" set out in subsection (10) of section 128F of the Tax Act. Broadly speaking, this will be the case if the following requirements are satisfied:

(a) the Global Note describes itself as a global bond or a global note; and

(b) it is issued to a clearing house (as defined in subsection (9) of section 128F of the Tax Act) or to a person as trustee or agent for, or otherwise on behalf of, one or more clearing houses; and

(c) in connection with the issue of the Global Note, the clearing house or houses confer rights in relation to the Global Note on other persons and will record the existence of the rights; and

(d) before the issue of the Global Note, Rabobank Australia Branch or a Dealer, in relation to the placement of the Global Note, on behalf of Rabobank Australia Branch announces that, as a result of the issue, such rights will be able to be created; and

(e) the announcement is made in a way or ways covered by any of subsections (3)(a) to (e) of section 128F of the Tax Act (reading a reference in those paragraphs to "debentures or debt interests" as if it were a reference to the rights referred to in paragraph (d) above and a reference to the "company" as if it included a reference to the Dealer); and

(f) under the terms of the Global Note, interests in the Global Note are able to be surrendered, whether or not in particular circumstances, in exchange for other debentures issued by Rabobank Australia Branch that are not themselves Global Notes.

The public offer test is not satisfied in respect of any of the Notes if at the time of issue Rabobank knew, or had reasonable grounds to suspect, that:

(a) a Note or an interest in a Note was being, or would later be, acquired directly or indirectly by an associate (as defined in subsection (9) of section 128F of the Tax Act) of Rabobank; and

(b) either:

(i) the associate is a non-resident of Australia and the Note, or interest in the Note, was not being, or would not be, acquired by the associate in carrying on a business at or through a permanent establishment in Australia; or

(ii) the associate is a resident of Australia and the Note, or interest in the Note, was being, or would be, acquired by the associate in carrying on a business at or through a permanent establishment in a country outside Australia; and

(c) the Note or interest in the Note, was not being, or would not be, acquired by the associate in the capacity of a dealer, manager or underwriter in relation to the placement of the Notes, or a clearing house, custodian, funds manager or responsible entity of a registered scheme (as defined in the Corporations Act 2001 of Australia).

The exemption in section 128F of the Tax Act does not apply to interest (or an amount in the nature of interest) paid by Rabobank Australia Branch to a holder in respect of a Note, if Rabobank was aware or had reasonable grounds to suspect, at the time of payment, that:

(a) the holder is an associate (as defined in subsection (9) of section 128F of the Tax Act) of Rabobank; and

(b) either:

(i) the associate is a non-resident of Australia and the payment is not received by the associate in respect of a Note that the associate acquired in carrying on a business at or through a permanent establishment in Australia; or

(ii) the associate is a resident of Australia and the payment is received by the associate in respect of a Note that the associate acquired in carrying on a business at or through a permanent establishment in a country outside Australia; and

(c) the associate does not receive the payment in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme (as defined in the Corporations Act 2001 of Australia).

An ''associate'' of Rabobank Australia Branch for the purposes of section 128F of the Tax Act includes: (i) a person or entity which holds more than 50 per cent. of the voting shares in or otherwise controls Rabobank Australia Branch, (ii) an entity in which more than 50 per cent. of the voting shares are held by, or which is otherwise controlled by, Rabobank Australia Branch, (iii) the trustee of a trust where Rabobank Australia Branch is capable of benefiting (whether directly or indirectly) under a trust, and (iv) a person or entity which is an ''associate'' of another person or entity which is an ''associate'' of Rabobank Australia Branch under any of the foregoing.

There are specific rules that can apply to treat a portion of the purchase price of Notes as interest for interest withholding tax purposes if the Notes were originally issued at a discount, have a maturity premium or if they do not pay interest at least annually and they are acquired by an Australian resident Noteholder (not carrying on business through a permanent establishment outside of Australia) or non-resident Noteholder carrying on a business at or through a permanent establishment in Australia. The rules do not apply if the deemed interest would have been exempt under section 128F of the Tax Act if the Notes had been held to maturity by a non-resident.

In certain circumstances, section 126 of the Tax Act imposes a type of withholding tax at the rate of 45 per cent. on the payment of interest on bearer notes if Rabobank Australia Branch fails to disclose the names and addresses of the holders to the Australian Tax Office. The Australian Tax Office is of the view that the holder of a debenture for the purposes of section 126(e) of the Tax Act is the person or entity in possession of the debenture and that this is the person or entity to whom Rabobank Australia Branch makes the payment of interest. Section 126 does not apply if the interest payable under a bearer note is subject to interest withholding tax under Division 11A of the Tax Act or if the interest is exempt from withholding under section 128F to the extent it applies to non-residents of Australia who are not engaged in carrying on business in Australia at or through a permanent establishment in Australia. Consequently section 126 should only apply to persons or entities in possession of bearer notes who are residents of Australia or non-residents who are engaged in carrying on business in Australia at or through a permanent establishment in Australia. Where interests in the relevant Notes are held by persons through Euroclear and/or

Clearstream, Luxembourg, Rabobank Australia Branch intends to treat the operators of those systems as the holders of the relevant Notes for the purpose of section 126.

If Rabobank Australia Branch is compelled by law at any time to withhold or deduct an amount in respect of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Commonwealth of Australia or any authority therein having the power to tax, it will, except as stated in the Notes, pay such additional amounts as will result in the payment to the Noteholders concerned of the sum which would otherwise have been payable on the Notes.

The Taxation Administration Act 1953 of Australia also requires a further type of withholding (Foreign Resident Withholding) which broadly provides that an entity carrying on business in Australia must withhold an amount from certain payments (prescribed by regulation) paid to non-residents, unless an appropriate exemption applies. Foreign Resident Withholding does not apply to payments of interest for the purposes of Division 11A of Part III of the Tax Act. Further, it is not expected that any regulations will be made that would impact on the repayment of principal under the Notes since such repayments should not be regarded as reasonably related to assessable income of the foreign resident.

Other taxes

Rabobank Australia Branch has been advised by its Australian counsel that, under current Australian law:

(a) subject to compliance with the requirements of section 128F of the Tax Act referred to above, payments of principal and interest (or amounts in the nature of, or in substitution for, interest) to a holder of a Note who:

  (i) is a non-resident of Australia;

  (ii) during the taxable year has not carried on business at or through a permanent establishment within Australia; and

  (iii) is not an associate (as defined in subsection (9) of section 128F of the Tax Act) of Rabobank other than an associate who receives the payment in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme (as referred to above) or, if the holder is such an associate, Rabobank did not know this or have reasonable grounds to suspect it,

  shall not be subject to Australian interest withholding tax or Australian income tax;

(b) a holder of a Note who is a non-resident of Australia and who during the taxable year has not carried on business at or through a permanent establishment in Australia:

  (i) will not be subject to Australian income tax on gains realised during that year on sale or redemption of the Note, provided that such gains do not have an Australian source and the Note was not used at any time by the holder in carrying on a business at or through a permanent establishment in Australia. A gain arising on the sale of a Note by a non-Australian resident holder to another non-Australian resident where the Note is sold outside Australia and all negotiations and documentation are conducted and executed outside Australia would not be regarded as having an Australian source; and

  (ii) will not be subject to Australian capital gains tax on gains realised during that year on sale or redemption of the Note;

(c) the Notes should not be subject to death, estate or succession duties imposed by Australia or by any instrumentality thereof or therein, if held outside Australia, or by a non-resident, at the time of death;

(d) provided:

  (i) any Notes issued in Australia will only be issued by Rabobank Australia Branch which has its central management and control in New South Wales ("**NSW**");

  (ii) the register of Notes is kept by Rabobank Australia Branch in NSW;

  (iii) any Notes are executed in NSW; and

  (iv) money subscribed for the Notes is not paid into South Australia,

no *ad valorem* stamp duty nor issue registration or similar taxes should be payable in Australia on the issue or transfer of the Notes;

(e) no Australian goods and services tax should be payable on the issue or transfer of Notes or in respect of the payment of principal or interest on the Notes;

(f) the tax treatment of the Notes for Australian resident Noteholders and non-resident Noteholders who hold their Notes in the course of carrying on a business through an Australian permanent establishment will depend on whether or not Division 230 of the *Income Tax Assessment Act 1997* of Australia (the '1997 Act') applies to the Noteholder.

   (i) If Division 230 applies, the Division sets out a number of methods that may be available to recognise the quantum and timing of income (including interest) and deductions arising in relation to financial arrangements (which would include the Notes), including accruals, realisation, reliance on financial reports, fair value, foreign exchange retranslation and hedging. It also generally removes the distinction between capital and revenue by characterising gains or losses in respect of financial arrangements as being on revenue account.

   (ii) If Division 230 does not apply, Noteholders will still ordinarily be required to include any interest derived in respect of the Notes in their assessable income.

   Depending upon the terms of the Notes, such Noteholders may also be required to include in their assessable income, or may be allowed a deduction in respect of, any profit or loss (respectively) on sale or redemption of the Notes;

(g) payment of interest on Notes issued by Rabobank Australia Branch to Australian residents may be subject to withholding tax under Part VA of the Tax Act and section 12-140 of Schedule 1 of the Taxation Administration Act 1953 of Australia where the recipient of the interest does not quote their tax file number, or in certain circumstances, their Australian Business Number, or proof of some other relevant exemption. Any such tax will be withheld at the then current rate. The rate at the date of this document is 46.5 per cent.;

(h) payment in respect of the Notes should be able to be made free and clear of Australian withholding tax imposed pursuant to section 12-190 of Schedule 1 of the *Taxation Administration Act 1953* of Australia;

(i) Division 974 of the 1997 Act contains tests for characterising debt (for all entities) and equity (for companies) for Australian tax purposes including interest withholding tax. Unless otherwise indicated in the relevant Final Terms, Rabobank Australia Branch intends to issue Notes which are to be characterised as "debt interests" for the purposes of the tests provided in Division 974 and the returns on the Notes should be treated as "interest" for the purposes of the interest withholding tax provisions in the Tax Act (including section 128F of that Act). If the relevant Final Terms indicate that particular Notes are not intended to be 'debt interests', prospective Noteholders should seek their own advice on the tax treatment of the Notes. A more detailed consideration of the rules set out in Division 974 of the 1997 Act and the thin capitalisation rules set out in Division 820 of the 1997 Act is beyond the scope of this summary.

Taxation in Singapore

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines issued by the Monetary Authority of Singapore ("**MAS**") in force at the date of this Base Prospectus and are subject to any changes in such laws, measures or guidelines, or the interpretation of such laws, measures or guidelines, occurring after such date, which changes could be made on a retroactive basis. These laws and guidelines are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Base Prospectus are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling, or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and do not purport to deal with the tax consequences

applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Notes are advised to consult their own tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes, including in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that neither the Issuer nor any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

Singapore interest and other payments

Subject to the following paragraphs, under section 12(6) of the Income Tax Act, Chapter 134 of Singapore (the "**Income Tax Act**"), the following payments are deemed to be derived from Singapore:

(a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore); or (ii) deductible against any income accruing in or derived from Singapore; or

(b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

This is expected to apply to payments made by Rabobank Singapore Branch. Further, such payments where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to 15 per cent. final withholding tax described below) to non-resident persons other than non-resident individuals is 17 per cent. with effect from the Year of Assessment 2010. The applicable rate for non-resident individuals is 20 per cent. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15 per cent. The rate of 15 per cent. may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

(a) interest from debt securities derived on or after 1 January 2004;

(b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and

(c) prepayment fee, redemption premium or break cost from debt securities derived on or after 15 February 2007,

except where such income is derived by individuals through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

Withholding tax exemption on qualifying payments by specified entities

Pursuant to the Income Tax (Exemption of Interest and Other Payments for Economic and Technological Development) Notification 2012, a qualifying payment which is made to a person who is neither resident in Singapore nor a permanent establishment in Singapore by a specified entity shall be exempt from tax if the qualifying payment is liable to be made by such specified entity for the purpose of its trade or business under a debt security which is issued within the period from 1 April 2011 to 31 March 2021. A specified entity includes a bank licensed under the Banking Act, Chapter 19 of Singapore or approved under the Monetary Authority of Singapore Act, Chapter 186 of Singapore.

For the above purpose, the term "qualifying payment" means:

(a) any interest, commission, fee or other payment; or

(b) any income derived from loans,

which is deemed under section 12(6) of the Income Tax Act to be derived from Singapore.

Pursuant to the Singapore Budget Statement 2012 and the MAS Circular FDD Cir 01/2012 published by the MAS on 21 February 2012, it was announced that the above withholding tax exemption has been enhanced to include qualifying payments liable to be made to a permanent establishment in Singapore of a non-resident person by a specified entity for the purpose of its trade or business under a debt security which is issued within the period from 17 February 2012 to 31 March 2021. Notwithstanding the above, these permanent establishments in Singapore of non-resident persons are required to declare such payments in their annual income tax returns and will be assessed to tax on such payments (unless specifically exempt from tax).

Qualifying debt securities scheme

In addition, if the Dealers for more than half of the principal amount of a tranche of Notes which are debt securities issued under the Programme during the period from the date of this Base Prospectus to 31 December 2013 are:

(i) financial institutions who have been awarded ''Financial Sector Incentive (Bond Market) Company'' status by the Minister for Finance of Singapore or such person as he may appoint; or

(ii) financial institutions in Singapore where their staff based in Singapore have a leading and substantial role in the distribution of such tranche of Notes,

such tranche of Notes (''**Relevant Notes**'') would be ''qualifying debt securities'' under the Income Tax Act.

If the Relevant Notes are ''qualifying debt securities'':

(a) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the Comptroller of Income Tax in Singapore (the ''**Comptroller**'') may direct, of a return on debt securities for the Relevant Notes within such period as the Comptroller may specify and such other particulars in connection with the Relevant Notes as the Comptroller may require to the Comptroller and the MAS and the inclusion by the Issuer in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost is derived from the Relevant Notes by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if such non-resident person acquires the Relevant Notes using funds and profits from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the ''**Qualifying Income**'') from the Relevant Notes derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not funds and profits of that person's operations through a permanent establishment in Singapore, are exempt from Singapore tax;

(b) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the Comptroller may direct, of a return on debt securities for the Relevant Notes within such period as the Comptroller may specify and such other particulars in connection with the Relevant Notes as the Comptroller may require to the Comptroller and the MAS), Qualifying Income from the Relevant Notes derived by any company or a body of persons (as defined in the Income Tax Act) in Singapore is subject to tax at a concessionary rate of 10 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(c) subject to:

(i) the Issuer including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the Income Tax Act; and

(ii) the Issuer, or such other person as the Comptroller may direct, furnishing to the Comptroller and MAS a return on debt securities for the Relevant Notes within such period as the Comptroller may specify and such other particulars in connection with the Relevant Notes as the Comptroller may require,

payments of Qualifying Income derived from the Relevant Notes are not subject to withholding of tax by the Issuer.

However, notwithstanding the foregoing:

(i) if during the primary launch of any tranche of Relevant Notes, such Relevant Notes are issued to fewer than four persons and 50 per cent. or more of the principal amount of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as "qualifying debt securities"; and

(ii) even though a particular tranche of Relevant Notes are "qualifying debt securities", if, at any time during the tenure of such tranche of Relevant Notes, 50 per cent. or more of the principal amount of such Relevant Notes is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from that tranche of Relevant Notes held by:

(a) any related party of the Issuer; or

(b) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax described above.

The term "**related party**", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms "**break cost**", "**prepayment fee**" and "**redemption premium**" are defined in the Income Tax Act as follows:

(i) "**break cost**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;

(ii) "**prepayment fee**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and

(iii) "**redemption premium**", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to "**break cost**", "**prepayment fee**" and "**redemption premium**" in this Singapore tax disclosure have their same meaning as in the Income Tax Act.

Notwithstanding that the Issuer is permitted to make payments of interest, discount income, prepayment fee, redemption premium and break cost in respect of the Relevant Notes without deduction or withholding for tax under section 45 or 45A of the Income Tax Act, any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Notes is not exempt from tax is required under the Income Tax Act to include such income in a return of income made under the Income Tax Act.

The Qualifying Debt Securities Plus Scheme ("**QDS Plus Scheme**") has also been introduced as an enhancement of the Qualifying Debt Securities Scheme. Under the QDS Plus Scheme, subject to certain conditions having been fulfilled (including the furnishing by the issuer, or such other person as the Comptroller may direct, of a return on debt securities in respect of the qualifying debt securities within such period as the Comptroller may specify and such other particulars in connection with the qualifying debt securities as the Comptroller may require to the Comptroller and MAS), income tax exemption is granted on interest, discount income (not

including discount income arising from secondary trading), prepayment fee, redemption premium and break cost derived by any investor from qualifying debt securities (excluding Singapore Government Securities) which:

(a) are issued during the period from 16 February 2008 to 31 December 2013;

(b) have an original maturity of not less than 10 years;

(c) cannot be redeemed, called, exchanged or converted within 10 years from the date of their issue; and

(d) cannot be re-opened with a resulting tenure of less than 10 years to the original maturity date.

However, even though a particular tranche of Relevant Notes are ''qualifying debt securities'' which qualify under the QDS Plus Scheme, if, at any time during the tenure of such tranche of Relevant Notes, 50 per cent. or more of the issue of such Relevant Notes is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, interest, discount income, prepayment fee, redemption premium and break cost from such Relevant Notes derived by:

(i) any related party of the Issuer; or

(ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption under the QDS Plus Scheme as described above.

Capital gains

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes who apply or are required to apply Singapore Financial Reporting Standard 39 — Financial Instruments: Recognition and Measurement (''**FRS 39**''), may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39. Please see the section below on ''Income tax implications arising from the adoption of FRS 39''.

Income tax implications arising from the adoption of FRS 39

Singapore registered companies with annual periods beginning on or after 1 January 2005 are generally required to comply with FRS 39 for accounting purposes. The Inland Revenue Authority of Singapore has issued a circular entitled ''Income Tax Implications Arising from the Adoption of FRS 39 — Financial Instruments: Recognition and Measurement'' (the ''**FRS 39 Circular**''). The Income Tax Act has since been amended to give effect to the FRS 39 Circular.

The FRS 39 Circular generally applies, subject to certain ''opt-out'' provisions, to taxpayers who are required to comply with FRS 39 for financial reporting purposes.

Holders of the Notes who may be subject to the tax treatment under the FRS 39 Circular should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

Estate duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

Taxation in Luxembourg

The comments below are intended as a basic summary of certain tax consequences in relation to the purchase, ownership and disposition of the Notes under Luxembourg law. Persons who are in any doubt as to their tax position should consult a professional tax adviser.

Withholding tax

Under Luxembourg tax law currently in effect and with the possible exception of interest paid to certain individual Noteholders and to certain entities, there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest). There is also no Luxembourg

withholding tax, with the possible exception of payments made to certain individual Noteholders and to certain entities, upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes.

Luxembourg non-resident individuals

Under the Luxembourg laws dated 21 June 2005 implementing the European Council Directive 2003/48/EC on the taxation of savings income (the "**Savings Directive**") and several agreements concluded between Luxembourg and certain dependent or associated territories of the European Union ("**EU**"), a Luxembourg-based paying agent (within the meaning of the Savings Directive) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State or in certain EU dependent or associated territories, unless the beneficiary of the interest payments elects for an exchange of information or for the tax certificate procedure. The same regime applies to payments of interest and other similar income made to certain "**residual entities**" within the meaning of Article 4.2 of the Savings Directive established in a Member State or in certain EU dependent or associated territories (i.e. entities which are not legal persons (the Finnish and Swedish companies listed in Article 4.5 of the Savings Directive are not considered as legal persons for this purpose), whose profits are not taxed under the general arrangements for the business taxation, and that is not, or has not opted to be considered as, an UCITS recognised in accordance with Council Directive 85/611/EEC as replaced by the European Council Directive 2009/65/EC).

The current withholding tax rate is 35 per cent. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

Luxembourg resident individuals

In accordance with the law of 23 December 2005, as amended by the law of 17 July 2008, on the introduction of a withholding tax on certain interest payments on savings income, interest payments made by Luxembourg paying agents (defined in the same way as in the Savings Directive) to Luxembourg individual residents or to certain residual entities that secure interest payments on behalf of such individuals (unless such entities have opted either to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC as replaced by the European Council Directive 2009/65/EC or for the exchange of information regime) are subject to a 10 per cent. withholding tax. Only interest accrued after 1 July 2005 falls within the scope of the withholding tax.

Pursuant to the Luxembourg law of 23 December 2005 as amended by the law of 17 July 2008, Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 10 per cent. tax on interest payments made after 31 December 2007 by paying agents (defined in the same way as in the Savings Directive) located in an EU Member State other than Luxembourg, a Member State of the European Economic Area other than an EU Member State or in a State or territory which has concluded an international agreement directly related to the Savings Directive.

The 10 per cent. withholding tax or the 10 per cent. self-declared tax represents the final tax liability for the Luxembourg individual resident taxpayers, receiving the interest payment in the course of their private wealth.

Taxation in the United States

To ensure compliance with Internal Revenue Service Circular 230, U.S. Holders are hereby notified that: (a) any discussion of federal tax issues in this Base Prospectus is not intended or written by us to be relied upon, and cannot be relied upon by U.S. Holders for the purpose of avoiding penalties that may be imposed on U.S. Holders under the Internal Revenue Code; (b) such discussion is written to support the promotion or marketing of the transactions or matters addressed herein; and (c) U.S. Holders should seek advice based on their particular circumstances from an independent tax adviser.

The following is a summary of certain material U.S. federal income tax consequences of the acquisition, ownership and disposition of Notes by a U.S. Holder (as defined below). Except where otherwise expressly noted, all references to Notes in this summary refer only to Registered Notes issued by Rabobank Nederland. This summary does not address the material U.S. federal

income tax consequences of every type of Note which may be issued under the Programme, and the relevant Final Terms may contain additional or modified disclosure concerning the material U.S. federal income tax consequences relevant to such type of Note as appropriate. This summary deals only with purchasers of Notes that are U.S. Holders and that will hold the Notes as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Notes by particular investors, and does not address state, local, foreign or other tax laws. In particular, this summary does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, investors liable for the alternative minimum tax, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, investors that will hold the Notes as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes or investors whose functional currency is not the U.S. Dollar). Moreover, the summary does not address the U.S. federal income tax treatment of (i) Equity Linked Notes, (ii) FX Linked Notes, (iii) Notes for which payments of principal or interest are denominated in, or determined by reference to, more than one currency, or (iv) Notes with a term of more than 30 years. The U.S. federal income tax consequences of owning any such Notes will be discussed in the relevant Final Terms.

*As used herein, the term "**U.S. Holder**" means a beneficial owner of Notes that is for U.S. federal income tax purposes (i) a citizen or resident of the United States, (ii) a corporation, or other entity treated as a corporation, created or organised under the laws of the United States or any State thereof, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has elected to be treated as a domestic trust.*

The U.S. federal income tax treatment of a partner in a partnership that holds Notes will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are partnerships should consult their tax adviser concerning the U.S. federal income tax consequences to their partners of the acquisition, ownership and disposition of Notes by the partnership.

*The summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended (the "**Code**"), its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as currently in effect and all subject to change at any time, possibly with retroactive effect.*

Bearer Notes (including Exchangeable Bearer Notes while in bearer form) are not being offered to U.S. Holders. A U.S. Holder who owns a Bearer Note may be subject to limitations under United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Code.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR OWN TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE NOTES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Payments of interest

Interest on a Note, whether payable in U.S. Dollars or a currency, composite currency or basket of currencies other than U.S. Dollars (a "**foreign currency**"), other than interest on a "Discount Note" that is not "qualified stated interest" (each as defined below under "— Original Issue Discount — General"), will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on the holder's method of accounting for tax purposes. Interest paid by Rabobank Nederland on the Notes and original issue discount, if any, accrued with respect to the Notes (as described below under "- Original Issue Discount") generally will constitute income from sources outside the United States. Prospective purchasers should consult their tax advisers concerning the applicability of the foreign tax credit and source of income rules to income attributable to the Notes.

Original Issue Discount

General

The following is a summary of the principal U.S. federal income tax consequences of the ownership of Notes issued with original issue discount (''**OID**'').

A Note, other than a Note with a term of one year or less (a ''**Short-Term Note**''), will be treated as issued with OID (a ''**Discount Note**'') if the excess of the Note's ''stated redemption price at maturity'' over its issue price is equal to or more than a *de minimis* amount (0.25 per cent. of the Note's stated redemption price at maturity multiplied by the number of complete years to its maturity). An obligation that provides for the payment of amounts other than qualified stated interest before maturity (an ''**instalment obligation**'') will be treated as a Discount Note if the excess of the Note's stated redemption price at maturity over its issue price is equal to or greater than 0.25 per cent. of the Note's stated redemption price at maturity multiplied by the weighted average maturity of the Note. A Note's weighted average maturity is the sum of the following amounts determined for each payment on a Note (other than a payment of qualified stated interest): (i) the number of complete years from the issue date until the payment is made multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Note's stated redemption price at maturity. Generally, the issue price of a Note will be the first price at which a substantial amount of Notes included in the issue of which the Note is a part is sold to persons other than bond houses, brokers, or similar persons or organisations acting in the capacity of underwriters, placement agents or wholesalers. The stated redemption price at maturity of a Note is the total of all payments provided by the Note that are not payments of ''qualified stated interest''. A qualified stated interest payment is generally any one of a series of stated interest payments on a Note that are unconditionally payable at least annually at a single fixed rate (with certain exceptions for lower rates paid during some periods), or a variable rate (in the circumstances described below under ''— Floating Rate Notes''), applied to the outstanding principal amount of the Note. Solely for purposes of determining whether a Note has OID, Rabobank Nederland will be deemed to exercise any call option that has the effect of decreasing the yield on the Note, and the U.S. Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Note.

U.S. Holders of Discount Notes must include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Notes. The amount of OID includible in income by a U.S. Holder of a Discount Note is the sum of the daily portions of OID with respect to the Discount Note for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds the Discount Note (''**accrued OID**''). The daily portion is determined by allocating to each day in any ''accrual period'' a *pro rata* portion of the OID allocable to that accrual period. Accrual periods with respect to a Note may be of any length selected by the U.S. Holder and may vary in length over the term of the Note as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Note occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Note's adjusted issue price at the beginning of the accrual period and the Discount Note's yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Note allocable to the accrual period. The ''adjusted issue price'' of a Discount Note at the beginning of any accrual period is the issue price of the Note increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Note that were not qualified stated interest payments.

Acquisition premium

A U.S. Holder that purchases a Discount Note for an amount less than or equal to the sum of all amounts payable on the Note after the purchase date other than payments of qualified stated interest but in excess of its adjusted issue price (any such excess being ''**acquisition premium**'') and that does not make the election described below under ''Election to Treat All Interest as Original Issue Discount'' is permitted to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the U.S. Holder's adjusted basis in the Note immediately after its purchase over the Note's adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, over the Note's adjusted issue price.

Market discount

A Note, other than a Short-Term Note, generally will be treated as purchased at a market discount (a "**Market Discount Note**") if the Note's stated redemption price at maturity or, in the case of a Discount Note, the Note's "revised issue price", exceeds the amount for which the U.S. Holder purchased the Note by at least 0.25 per cent. of the Note's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Note's maturity (or, in the case of a Note that is an instalment obligation, the Note's weighted average maturity). If this excess is not sufficient to cause the Note to be a Market Discount Note, then the excess constitutes "**de minimis market discount**". For this purpose, the "revised issue price" of a Note generally equals its issue price, increased by the amount of any OID that has accrued on the Note, and decreased by the amount of any payments previously made on the Note that were not qualified stated interest payments.

Under current law, any gain recognised on the maturity or disposition of a Market Discount Note (including any payment on a Note that is not qualified stated interest) will be treated as ordinary income to the extent that the gain does not exceed the accrued market discount on the Note. Alternatively, a U.S. Holder of a Market Discount Note may elect to include market discount in income currently over the life of the Note. This election shall apply to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year to which the election applies. This election may not be revoked without the consent of the U.S. Internal Revenue Service (the "**IRS**"). A U.S. Holder of a Market Discount Note that does not elect to include market discount in income currently will generally be required to defer deductions for interest on borrowings incurred to purchase or carry a Market Discount Note that is in excess of the interest and OID on the Note includible in the U.S. Holder's income, to the extent that this excess interest expense does not exceed the portion of the market discount allocable to the days on which the Market Discount Note was held by the U.S. Holder.

Under current law, market discount will accrue on a straight-line basis unless the U.S. Holder elects to accrue the market discount on a constant-yield method. This election applies only to the Note with respect to which it is made and is irrevocable.

Election to Treat All Interest as Original Issue Discount

A U.S. Holder may elect to include in gross income all interest that accrues on a Note using the constant-yield method described above under "- Original Issue Discount — General," with certain modifications. For purposes of this election, interest includes stated interest, OID, *de minimis* OID, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortisable bond premium (described below under "Notes Purchased at a Premium") or acquisition premium. This election will generally apply only to the Note with respect to which it is made and may not be revoked without the consent of the IRS. If the election to apply the constant-yield method to all interest on a Note is made with respect to a Market Discount Note, the electing U.S. Holder will be treated as having made the election discussed above under "Market Discount" to include market discount in income currently over the life of all debt instruments having market discount that are acquired on or after the first day of the first taxable year to which the election applies. U.S. Holders should consult their tax advisers concerning the propriety and consequences of this election.

Floating Rate Notes

Notes that provide for interest at variable rates ("**Floating Rate Notes**") generally will bear interest at a "qualified floating rate" and thus will be treated as "variable rate debt instruments" under Treasury regulations governing accrual of OID. A Floating Rate Note will qualify as a "variable rate debt instrument" if (a) its issue price does not exceed the total noncontingent principal payments due under the Floating Rate Note by more than a specified *de minimis* amount, (b) it provides for stated interest, paid or compounded at least annually, at (i) one or more qualified floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate, or (iv) a single fixed rate and a single objective rate that is a qualified inverse floating rate and (c) it does not provide for any principal payments that are contingent (other than as described in (a) above).

A "qualified floating rate" is any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Floating Rate Note is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65

but not more than 1.35. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Floating Rate Note (e.g., two or more qualified floating rates with values within 25 basis points of each other as determined on the Floating Rate Note's issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (i.e., a cap) or a minimum numerical limitation (i.e., a floor) may, under certain circumstances, fail to be treated as a qualified floating rate unless the cap or floor is fixed throughout the term of the Note.

An ''objective rate'' is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (e.g., one or more qualified floating rates or the yield of actively traded personal property). A rate will not qualify as an objective rate if it is based on information that is within the control of Rabobank Nederland (or a related party) or that is unique to the circumstances of Rabobank Nederland (or a related party), such as dividends, profits or the value of Rabobank Nederland's stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of Rabobank Nederland). Other variable interest rates may be treated as objective rates if so designated by the IRS in the future. Despite the foregoing, a variable rate of interest on a Floating Rate Note will not constitute an objective rate if it is reasonably expected that the average value of the rate during the first half of the Floating Rate Note's term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Floating Rate Note's term. A ''qualified inverse floating rate'' is any objective rate where the rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. If a Floating Rate Note provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period and if the variable rate on the Floating Rate Note's issue date is intended to approximate the fixed rate (e.g., the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a ''current value'' of that rate. A ''current value'' of a rate is the value of the rate on any day that is no earlier than three months prior to the first day on which that value is in effect and no later than one year following that first day.

If a Floating Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a ''variable rate debt instrument'', then any stated interest on the Note which is unconditionally payable in cash or property (other than debt instruments of the Issuer) at least annually will constitute qualified stated interest and will be taxed accordingly. Thus, a Floating Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a ''variable rate debt instrument'' will generally not be treated as having been issued with OID unless the Floating Rate Note is issued at a ''true'' discount (i.e., at a price below the Note's stated principal amount) in excess of a specified *de minimis* amount. OID on a Floating Rate Note arising from ''true'' discount is allocated to an accrual period using the constant-yield method described above by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate, or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Floating Rate Note.

In general, any other Floating Rate Note that qualifies as a ''variable rate debt instrument'' will be converted into an ''equivalent'' fixed rate debt instrument for purposes of determining the amount and accrual of OID and qualified stated interest on the Floating Rate Note. Such a Floating Rate Note must be converted into an ''equivalent'' fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the Floating Rate Note with a fixed rate equal to the value of the qualified floating rate or

qualified inverse floating rate, as the case may be, as of the Floating Rate Note's issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Floating Rate Note is converted into a fixed rate that reflects the yield that is reasonably expected for the Floating Rate Note. In the case of a Floating Rate Note that qualifies as a ''variable rate debt instrument'' and provides for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Floating Rate Note provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Floating Rate Note as of the Floating Rate Note's issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Floating Rate Note is then converted into an ''equivalent'' fixed rate debt instrument in the manner described above.

Once the Floating Rate Note is converted into an ''equivalent'' fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the ''equivalent'' fixed rate debt instrument by applying the general OID rules to the ''equivalent'' fixed rate debt instrument and a U.S. Holder of the Floating Rate Note will account for the OID and qualified stated interest as if the U.S. Holder held the ''equivalent'' fixed rate debt instrument. In each accrual period, appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the ''equivalent'' fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Floating Rate Note during the accrual period.

If a Floating Rate Note, such as a Note the payments on which are determined by reference to an index, does not qualify as a ''variable rate debt instrument'', then the Floating Rate Note will be treated as a contingent payment debt obligation. See ''Contingent Payment Debt Instruments'' below for a discussion of the U.S. federal income tax treatment of such Notes.

Short-Term Notes

In general, an individual or other cash basis U.S. Holder of a Short-Term Note is not required to accrue OID (as specially defined below for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on Short-Term Notes on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include OID in income currently, any gain realised on the sale or retirement of the Short-Term Note will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale or retirement. U.S. Holders who are not required and do not elect to accrue OID on Short-Term Notes will be required to defer deductions for interest on borrowings allocable to Short-Term Notes in an amount not exceeding the deferred income until the deferred income is realised.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Note, are included in the Short-Term Note's stated redemption price at maturity. A U.S. Holder may elect to determine OID on a Short-Term Note as if the Short-Term Note had been originally issued to the U.S. Holder at the U.S. Holder's purchase price for the Short-Term Note. This election shall apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the IRS.

Fungible issue

Rabobank Nederland may, without the consent of the Noteholders, issue additional Notes with identical terms. These additional Notes, even if they are treated for non-tax purposes as part of the same series as the original Notes, in some cases may be treated as a separate series for U.S. federal income tax purposes. In such a case, the additional Notes may be considered to have been issued with OID even if the original Notes had no OID, or the additional Notes may have a greater amount of OID than the original Notes. These differences may affect the market value of the original Notes if the additional Notes are not otherwise distinguishable from the original Notes.

Notes purchased at a premium

A U.S. Holder that purchases a Note for an amount in excess of its principal amount, or for a Discount Note, its stated redemption price at maturity, may elect to treat the excess as ''amortisable bond premium'', in which case the amount required to be included in the U.S. Holder's income each year with respect to interest on the Note will be reduced by the amount of amortisable bond premium allocable (based on the Note's yield to maturity) to that year. Any election to amortise bond premium shall apply to all bonds (other than bonds the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS. See also ''— Original Issue Discount — Election to Treat All Interest as Original Issue Discount''.

Contingent Payment Debt Instruments

Certain Series or Tranches of Notes may be treated as ''contingent payment debt instruments'' for U.S. federal income tax purposes (''**Contingent Notes**''). Under applicable U.S. Treasury regulations, interest on Contingent Notes will be treated as ''original issue discount'' (''**OID**''), and must be accrued on a constant-yield basis based on a yield to maturity that reflects the rate at which the Issuer would issue a comparable fixed-rate non-exchangeable instrument (the ''**comparable yield**''), in accordance with a projected payment schedule. This projected payment schedule must include each non-contingent payment on the Contingent Notes and an estimated amount for each contingent payment, and must produce the comparable yield.

The Issuer is required to provide to holders, solely for U.S. federal income tax purposes, a schedule of the projected amounts of payments on Contingent Notes. This schedule must produce the comparable yield. The comparable yield and projected payment schedule will be available from the Issuer by submitting a written request for such information to Head of Investor Relations, Croeselaan 18, 3521 CB Utrecht, The Netherlands or e-mail: ir@rabobank.com.

THE COMPARABLE YIELD AND PROJECTED PAYMENT SCHEDULE WILL NOT BE DETERMINED FOR ANY PURPOSE OTHER THAN FOR THE DETERMINATION OF INTEREST ACCRUALS AND ADJUSTMENTS THEREOF IN RESPECT OF CONTINGENT NOTES FOR UNITED STATES FEDERAL INCOME TAX PURPOSES AND WILL NOT CONSTITUTE A PROJECTION OR REPRESENTATION REGARDING THE ACTUAL AMOUNTS PAYABLE TO THE HOLDERS OF THE NOTES.

The use of the comparable yield and the calculation of the projected payment schedule will be based upon a number of assumptions and estimates and will not be a prediction, representation or guarantee of the actual amounts of interest that may be paid to a U.S. Holder or the actual yield of the Contingent Notes. A U.S. Holder will generally be bound by the comparable yield and the projected payment schedule determined by the Issuer, unless the U.S. Holder determines its own comparable yield and projected payment schedule and explicitly discloses such schedule to the IRS, and explains to the IRS the reason for preparing its own schedule. The Issuer's determination, however, is not binding on the IRS, and it is possible that the IRS could conclude that some other comparable yield or projected payment schedule should be used instead.

A U.S. Holder of a Contingent Note will generally be required to include OID in income pursuant to the rules discussed in the third paragraph under ''Original Issue Discount — General'', above, applied to the projected payment schedule. The ''adjusted issue price'' of a Contingent Note at the beginning of any accrual period is the issue price of the Note increased by the amount of accrued OID for each prior accrual period, and decreased by the projected amount of any payments on the Note. No additional income will be recognised upon the receipt of payments of stated interest in amounts equal to the annual payments included in the projected payment schedule described above. Any differences between actual payments received by the U.S. Holder on the Notes in a taxable year and the projected amount of those payments will be accounted for as additional interest (in the case of a positive adjustment) or as an offset to interest income in respect of the Note (in the case of a negative adjustment), for the taxable year in which the actual payment is made. If the negative adjustment for any taxable year exceeds the amount of OID on the Contingent Note for that year, the excess will be treated as an ordinary loss, but only to the extent the U.S. Holder's total OID inclusions on the Contingent Note exceed the total amount of any ordinary loss in respect of the Contingent Note claimed by the U.S. Holder under this rule in prior taxable years. Any negative adjustment that is not allowed as an

ordinary loss for the taxable year is carried forward to the next taxable year, and is taken into account in determining whether the U.S. Holder has a net positive or negative adjustment for that year. However, any negative adjustment that is carried forward to a taxable year in which the Contingent Note is sold, exchanged or retired, to the extent not applied to OID accrued for such year, reduces the U.S. Holder's amount realised on the sale, exchange or retirement.

Purchase, sale and retirement of Notes

Notes other than Contingent Notes

A U.S. Holder's tax basis in a Note will generally be its cost increased by the amount of any OID or market discount included in the U.S. Holder's income with respect to the Note and the amount, if any, of income attributable to *de minimis* OID and *de minimis* market discount included in the U.S. Holder's income with respect to the Note, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortisable bond premium applied to reduce interest on the Note. A U.S. Holder will generally recognise gain or loss on the sale or retirement of a Note equal to the difference between the amount realised on the sale or retirement and the tax basis of the Note. The amount realised does not include the amount attributable to accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income. Except to the extent described above under ''Original Issue Discount — Market Discount'' or ''Original Issue Discount — Short-Term Notes'' or attributable to changes in exchange rates (as discussed below), gain or loss recognised on the sale or retirement of a Note will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period in the Notes exceeds one year.

Gain or loss realised by a U.S. Holder on the sale or retirement of a Note generally will be U.S. source.

Contingent Notes

Gain from the sale or retirement of a Contingent Note will be treated as interest income taxable at ordinary income (rather than capital gains) rates. Any loss will be ordinary loss to the extent that the U.S. Holder's total interest inclusions to the date of sale or retirement exceed the total net negative adjustments that the U.S. Holder took into account as ordinary loss, and any further loss will be capital loss. Gain or loss realised by a U.S. Holder on the sale or retirement of a Contingent Note will generally be foreign source.

A U.S. Holder's tax basis in a Contingent Note will generally be equal to its cost, increased by the amount of interest previously accrued with respect to the Note (determined without regard to any positive or negative adjustments reflecting the difference between actual payments and projected payments), increased or decreased by the amount of any positive or negative adjustment that the Holder is required to make to account for the difference between the Holder's purchase price for the Note and the adjusted issue price of the Note at the time of the purchase, and decreased by the amount of any projected payments scheduled to be made on the Note to the U.S. Holder through such date (without regard to the actual amount paid).

Substitution of Issuer

The terms of the Notes provide that, in certain circumstances (as described above under ''Terms and Conditions of the Notes — Meeting of Noteholders, Modifications and Substitutions''), the obligations of Rabobank Nederland under the Notes may be assumed by another entity. Any such assumption might be treated for U.S. federal income tax purposes as a deemed disposition of Notes by a U.S. Holder in exchange for new notes issued by the new obligor. As a result of this deemed disposition, a U.S. Holder could be required to recognise capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the issue price of the new notes (as determined for U.S. federal income tax purposes) and the U.S. Holder's tax basis in the Notes. U.S. Holders should consult their tax advisers concerning the U.S. federal income tax consequences to them of a change in obligor with respect to the Notes.

Foreign currency notes

Interest

If an interest payment is denominated in, or determined by reference to, a foreign currency, the amount of income recognised by a cash basis U.S. Holder will be the U.S. Dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. Dollars.

An accrual basis U.S. Holder may determine the amount of income recognised with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a U.S. Holder, the part of the period within the taxable year).

Under the second method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. Dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the IRS.

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Note) denominated in, or determined by reference to, a foreign currency, the U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. Dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. Dollars.

OID

OID for each accrual period on a Discount Note that is denominated in, or determined by reference to, a foreign currency, will be determined in the foreign currency and then translated into U.S. Dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Note or a sale of the Note), a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. Dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. Dollars.

Market discount

Market Discount on a Note that is denominated in, or determined by reference to, a foreign currency, will be accrued in the foreign currency. If the U.S. Holder elects to include market discount in income currently, the accrued market discount will be translated into U.S. Dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. Holder's taxable year). Upon the receipt of an amount attributable to accrued market discount, the U.S. Holder may recognise U.S. source exchange gain or loss (which will be taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID. A U.S. Holder that does not elect to include market discount in income currently will recognise, upon the disposition or maturity of the Note, the U.S. Dollar value of the amount accrued, calculated at the spot rate on that date, and no part of this accrued market discount will be treated as exchange gain or loss.

Bond premium

Bond premium (including acquisition premium) on a Note that is denominated in, or determined by reference to, a foreign currency, will be computed in units of the foreign currency, and any such bond premium that is taken into account currently will reduce interest income (or OID) in units of the foreign currency. On the date bond premium offsets interest income (or OID), a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) measured by the difference between the spot rate in effect on that date, and on the date the Notes were acquired by the U.S. Holder. A U.S. Holder that does not elect to take bond premium (other than acquisition premium) into account currently will recognise a capital loss when the Note matures.

Foreign Currency Contingent Notes

Special rules apply to determine the accrual of OID, and the amount, timing, source and character of any gain or loss on a Contingent Note that is denominated in, or determined by

reference to, a foreign currency (a "**Foreign Currency Contingent Note**"). The rules applicable to Foreign Currency Contingent Notes are complex, and U.S. Holders are urged to consult their tax advisers concerning the application of these rules.

Under these rules, a U.S. Holder of a Foreign Currency Contingent Note will generally be required to accrue OID in the foreign currency in which the Foreign Currency Contingent Note is denominated (i) at a yield at which the Issuer would issue a fixed rate debt instrument denominated in the same foreign currency with terms and conditions similar to those of the Foreign Currency Contingent Note, and (ii) in accordance with a projected payment schedule determined by the Issuer, under rules similar to those described above under "Contingent Payment Debt Instruments". The amount of OID on a Foreign Currency Contingent Note that accrues in any accrual period will be the product of the comparable yield of the Foreign Currency Contingent Note (adjusted to reflect the length of the accrual period) and the adjusted issue price of the Foreign Currency Contingent Note. The adjusted issue price of a Foreign Currency Contingent Note will generally be determined under the rules described above, and will be denominated in the foreign currency of the Foreign Currency Contingent Note.

OID on a Foreign Currency Contingent Note will be translated into U.S. dollars under translation rules similar to those described above under "Foreign Currency — Interest". Any positive adjustment (i.e. the excess of actual payments over projected payments) in respect of a Foreign Currency Contingent Note for a taxable year will be translated into U.S. dollars at the spot rate on the last day of the taxable year in which the adjustment is taken into account, or if earlier, the date on which the Foreign Currency Contingent Note is disposed of. The amount of any negative adjustment on a Foreign Currency Contingent Note (i.e. the excess of projected payments over actual payments) that is offset against accrued but unpaid OID will be translated into U.S. dollars at the same rate at which the OID was accrued. To the extent a net negative adjustment exceeds the amount of accrued but unpaid OID, the negative adjustment will be treated as offsetting OID that has accrued and been paid on the Foreign Currency Contingent Note, and will be translated into U.S. dollars at the spot rate on the date the Foreign Currency Contingent Note was issued. Any net negative adjustment carry forward will be carried forward in the relevant foreign currency.

Sale or retirement

Notes other than Foreign Currency Contingent Notes.

As discussed above under "Purchase, Sale and Retirement of Notes", a U.S. Holder will generally recognise gain or loss on the sale or retirement of a Note equal to the difference between the amount realised on the sale or retirement and its tax basis in the Note. A U.S. Holder's tax basis in a Note that is denominated in a foreign currency will be determined by reference to the U.S. Dollar cost of the Note. The U.S. Dollar cost of a Note purchased with foreign currency will generally be the U.S. Dollar value of the purchase price on the date of purchase or, in the case of Notes traded on an established securities market, as defined in the applicable Treasury Regulations, that are purchased by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects), on the settlement date for the purchase.

The amount realised on a sale or retirement for an amount in foreign currency will be the U.S. Dollar value of this amount on the date of sale or retirement or, in the case of Notes traded on an established securities market, as defined in the applicable Treasury Regulations, sold by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects), on the settlement date for the sale. Such an election by an accrual basis U.S. Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS.

A U.S. Holder will recognise U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Note equal to the difference, if any, between the U.S. Dollar values of the U.S. Holder's purchase price for the Note (or, if less, the principal amount of the Note) (i) on the date of sale or retirement and (ii) the date on which the U.S. Holder acquired the Note. Any such exchange rate gain or loss will be realised only to the extent of total gain or loss realised on the sale or retirement.

Foreign Currency Contingent Notes. Upon a sale, exchange or retirement of a Foreign Currency Contingent Note, a U.S. Holder will generally recognise taxable gain or loss equal to the difference between the amount realised on the sale, exchange or retirement and the U.S. Holder's tax basis in the Foreign Currency Contingent Note, both translated into U.S. dollars as described below. A U.S. Holder's tax basis in a Foreign Currency Contingent Note will equal (i) the cost

thereof (translated into U.S. dollars at the spot rate on the issue date), (ii) increased by the amount of OID previously accrued on the Foreign Currency Contingent Note (disregarding any positive or negative adjustments and translated into U.S. dollars using the exchange rate applicable to such OID) and (iii) decreased by the projected amount of all prior payments in respect of the Foreign Currency Contingent Note. The U.S. dollar amount of the projected payments described in clause (iii) of the preceding sentence is determined by (i) first allocating the payments to the most recently accrued OID to which prior amounts have not already been allocated and translating those amounts into U.S. dollars at the rate at which the OID was accrued and (ii) then allocating any remaining amount to principal and translating such amount into U.S. dollars at the spot rate on the date the Foreign Currency Contingent Note was acquired by the U.S. Holder. For this purpose, any accrued OID reduced by a negative adjustment carry forward will be treated as principal.

The amount realised by a U.S. Holder upon the sale, exchange or retirement of a Foreign Currency Contingent Note will equal the amount of cash and the fair market value (determined in foreign currency) of any property received. If a U.S. Holder holds a Foreign Currency Contingent Note until its scheduled maturity, the U.S. dollar equivalent of the amount realised will be determined by separating such amount realised into principal and one or more OID components, based on the principal and OID comprising the U.S. Holder's basis, with the amount realised allocated first to OID (and allocated to the most recently accrued amounts first) and any remaining amounts allocated to principal. The U.S. dollar equivalent of the amount realized upon a sale, exchange or unscheduled retirement of a Foreign Currency Contingent Note will be determined in a similar manner, but will first be allocated to principal and then any accrued OID (and will be allocated to the earliest accrued amounts first). Each component of the amount realized will be translated into U.S. dollars using the exchange rate used with respect to the corresponding principal or accrued OID. The amount of any gain realized upon a sale, exchange or unscheduled retirement of a Foreign Currency Contingent Note will be equal to the excess of the amount realized over the holder's tax basis, both expressed in foreign currency, and will be translated into U.S. dollars using the spot rate on the payment date. Gain from the sale or retirement of a Foreign Currency Contingent Note will generally be treated as interest income taxable at ordinary income (rather than capital gains) rates. Any loss will be ordinary loss to the extent that the U.S. Holder's total OID inclusions to the date of sale or retirement exceed the total net negative adjustments that the U.S. Holder took into account as ordinary loss, and any further loss will be capital loss. Gain or loss realized by a U.S. Holder on the sale or retirement of a Foreign Currency Contingent Note will generally be foreign source. Prospective purchasers should consult their tax advisers as to the foreign tax credit implications of the sale or retirement of Foreign Currency Contingent Notes.

A U.S. Holder will also recognise U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the receipt of foreign currency in respect of a Foreign Currency Contingent Note if the exchange rate in effect on the date the payment is received differs from the rate applicable to the principal or accrued OID to which such payment relates.

Disposition of foreign currency

Foreign currency received as interest on a Note or on the sale or retirement of a Note will have a tax basis equal to its U.S. Dollar value at the time the interest is received or at the time of the sale or retirement. Foreign currency that is purchased will generally have a tax basis equal to the U.S. Dollar value of the foreign currency on the date of purchase. Any gain or loss recognised on a sale or other disposition of a foreign currency (including its use to purchase Notes or an exchange for U.S. Dollars) will be ordinary U.S. income or loss.

Backup withholding and information reporting

In general, payments of interest and accruals of OID on, and the proceeds of a sale, redemption or other disposition of, the Notes payable to a U.S. Holder by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding will apply to these payments, including payments of OID, if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to report all interest and dividends required to be shown on its U.S. federal income tax returns. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisers as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

Reportable transactions

A U.S. taxpayer that participates in a "reportable transaction" will be required to disclose this participation to the IRS. The scope and application of these rules is not entirely clear. A U.S. Holder may be required to treat a foreign currency exchange loss from the Notes as a reportable transaction if the loss exceeds U.S.$50,000 in a single taxable year, if the U.S. Holder is an individual or trust, or higher amounts for other non-individual U.S. Holders. In the event the acquisition, holding or disposition of Notes constitutes participation in a "reportable transaction" for purposes of these rules, a U.S. Holder will be required to disclose its investment by filing Form 8886 with the IRS. A penalty in the amount of U.S.$10,000 in the case of a natural person and U.S.$50,000 in all other cases is generally imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a reportable transaction. Accordingly, if a U.S. Holder realises a loss on any Note (or, possibly, aggregate losses from the Notes) satisfying the monetary thresholds discussed above, the U.S. Holder could be required to file an information return with the IRS, and failure to do so may subject the U.S. Holder to the penalties described above. In addition, the Issuer and its advisers may also be required to disclose the transaction to the IRS: and to maintain a list of U.S. Holders, and to furnish this list and certain other information to the IRS upon written request. Prospective purchasers are urged to consult their tax advisers regarding the application of these rules to the acquisition, holding or disposition of Notes.

Foreign Financial Asset Reporting

Recently enacted legislation imposes new reporting requirements on the holding of certain foreign financial assets, including debt of foreign entities, if the aggregate value of all of these assets exceeds U.S.$50,000 at the end of the taxable year or U.S.$75,000 at any time during the taxable year. These thresholds are increased for married couples filing jointly and for persons living outside of the United States. The Notes are expected to constitute foreign financial assets subject to these requirements unless the Notes are held in an account at a financial institution. U.S. Holders should consult their tax advisors regarding the application of this legislation.

FATCA Withholding

Sections 1471 through 1474 of the Code ("**FATCA**") impose a withholding tax of 30% on a portion of certain payments by non-U.S. entities (such as the Issuer), to persons that fail to meet requirements under FATCA. If the Issuer (or relevant intermediary) enters into and complies with an agreement with the IRS (an "**IRS Agreement**"), this withholding tax may be imposed on a portion of payments to (a) certain holders or beneficial owners of Notes that do not provide certain information requested by the Issuer (or any relevant intermediary) and (b) any recipient (including an intermediary) of a payment that has not (or the relevant financial institution has not) entered into an IRS Agreement (or otherwise established an exemption from FATCA). Withholding should not be required with respect to payments on the Notes before 1 January 2017 and then only on Notes issued or materially modified after 31 December 2012. Neither a holder nor a beneficial owner of Notes will be entitled to any additional amounts in the event such withholding tax is imposed. Certain beneficial owners may be eligible for a refund of amounts withheld as a result of FATCA.

The future application of FATCA to the Issuer and the holders of Notes is uncertain, and it is not clear at this time what actions, if any, will be required to minimise any adverse impact of FATCA on the Issuer and the holders of Notes. The Issuer has not decided whether it will enter into an IRS Agreement.

It is also uncertain at this time how the reporting mechanism will operate. In particular, certain changes will likely have to occur with the operation of DTC, Euroclear, Clearstream, Luxembourg and other similar clearing systems.

FATCA is particularly complex and its application to the Issuer, the Notes and the holders is uncertain at this time. Each holder of Notes should consult its own tax advisor to obtain a more detailed explanation of FATCA and to learn how it might affect such holder in its particular circumstance.

TRANSFER RESTRICTIONS

Rule 144A Notes

Each purchaser of Restricted Notes issued by Rabobank Nederland pursuant to Rule 144A, by accepting delivery of this Base Prospectus, will be deemed to have represented, agreed and acknowledged that:

(1) It is (a) a qualified institutional buyer within the meaning of Rule 144A, (b) acquiring such Notes for its own account or for the account of a qualified institutional buyer and (c) aware, and each beneficial owner of such Notes has been advised, that the sale of such Notes to it is being made in reliance on Rule 144A.

(2) It understands that such Notes have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a qualified institutional buyer purchasing for its own account or for the account of a qualified institutional buyer, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States.

(3) It understands that such Notes, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR RESALES OF THIS NOTE.

(4) Rabobank Nederland, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Notes for the account of one or more qualified institutional buyers, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

(5) It understands that the Notes offered in reliance on Rule 144A will be represented by one or more Restricted Global Certificates. Before any interest in a Restricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in an Unrestricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

(6) Distribution of this Base Prospectus, or disclosure of any of its contents to any person other than such purchaser and those persons, if any, retained to advise such purchaser with respect thereto is unauthorised, and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.

Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Regulation S Notes

Each purchaser of Notes outside the United States pursuant to Regulation S and each subsequent purchaser of such Notes in resales prior to the expiration of the distribution compliance period (as used in "**Plan of Distribution**"), by accepting delivery of this Base Prospectus and the Notes, will be deemed to have represented, agreed and acknowledged that:

(1) It is, or at the time Notes are purchased will be, the beneficial owner of such Notes and (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate.

(2) It understands that such Notes have not been and will not be registered under the Securities Act and that, prior to the expiration of the distribution compliance period, it will not offer, sell, pledge or otherwise transfer such Notes except in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, or in the case of Notes issued by Rabobank Nederland, in accordance with Rule 144A under the Securities Act to a person that it and any person acting on its behalf reasonably believe is a qualified institutional buyer purchasing for its own account or the account of a qualified institutional buyer in each case in accordance with any applicable securities laws of any State of the United States.

(3) The Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

(4) It understands that the Notes offered in reliance on Regulation S may be represented by one or more Unrestricted Global Certificates. Prior to the expiration of the distribution compliance period, before any interest in an Unrestricted Global Certificate representing Notes issued by Rabobank Nederland may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Restricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

PLAN OF DISTRIBUTION

Summary of Distribution Agreement

Subject to the terms and on the conditions contained in an amended and restated Distribution Agreement dated 9 May 2012 (the "**Distribution Agreement**") as further amended or supplemented at the Issue Date, between the Issuer, the Permanent Dealers (as defined in the Distribution Agreement) and the Arranger, the Notes will be offered by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Distribution Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Final Terms.

The Issuer has agreed to indemnify the Dealers in respect of such issue of Notes against certain liabilities in connection with the offer and sale of such Notes, including liability under the Securities Act, and to contribute for payments that such Dealers may be required to make in respect thereof. The Distribution Agreement entitles the Dealers to terminate any agreement that they make to purchase Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling restrictions

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Base Prospectus, any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes, or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms.

United States

The Notes have not been and will not be registered under the Securities Act 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 certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Bearer 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 U.S. 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 represented and agreed that, except as permitted by the Distribution Agreement, it will not offer, sell or deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Issuer, by the relevant Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and only in accordance with Rule 903 of Regulation S or (in the case of Notes issued by Rabobank Nederland) Rule 144A. Each Dealer has further agreed that it will have sent to each dealer to which it sells Notes (other than a sale of Notes issued by Rabobank Nederland pursuant to Rule 144A) 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.

In addition, until 40 days after the commencement of an offering of Notes, an offer or sale of Notes within the United States by any dealer that is not participating in the offering may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

The Distribution Agreement provides that the Dealers may directly or through their respective U.S. broker-dealer affiliates arrange for the offer and resale of Notes issued by Rabobank Nederland within the United States only to qualified institutional buyers pursuant to Rule 144A.

Each purchaser of Restricted Notes that have not been registered under the Securities Act is hereby notified that the offer and sale of such Restricted Notes to it is being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A. Each purchaser of Restricted Notes pursuant to Rule 144A, by accepting delivery of this Base Prospectus, will be deemed to have represented and agreed that it is a qualified institutional buyer, that it is aware that the sale to it is being made in reliance on Rule 144A and that it is acquiring the Notes for its own account or for the account of a qualified institutional buyer. See ''Transfer 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, warranted and agreed 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 ''**Non-exempt Offer**'') following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the date specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt 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 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 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 (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

United Kingdom

Each Dealer has represented, warranted and agreed that:

(1) 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

(2) 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.

The Netherlands

Each Dealer has represented and agreed that the Notes may not be offered to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive unless (i) such offer is made exclusively to persons or entities which are qualified investors as defined in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) or (ii) standard exemption wording is disclosed as required by Article 5:20(5) of the Dutch Financial Supervision Act, provided that no such offer of Notes Securities shall require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or supplement to a prospectus pursuant to Article 16 of the Prospectus Directive.

Zero Coupon Notes in definitive bearer form and other Notes in definitive bearer form on which interest does not become due and payable during their term but only at maturity (savings certificates or *spaarbewijzen* as defined in the Dutch Savings Certificates Act or *Wet inzake spaarbewijzen*, the "**SCA**") 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. with due observance of the provisions of the SCA and its implementing regulations (which include registration requirements). No such mediation is required, however, in respect of (i) the initial issue of such securities to the first holders thereof, (ii) the transfer and acceptance by individuals who do not act in the conduct of a profession or business, and (iii) the issue and trading of such securities if they are physically issued outside the Netherlands and are not distributed in the Netherlands in the course of primary trading or immediately thereafter.

Australia

This Base Prospectus has not and no prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia in relation to the Programme or the Notes has been or will be or is required to be lodged with the Australian Securities and Investments Commission ("**ASIC**") or the ASX Limited ("**ASX**"). Each Dealer represents and agrees that, and unless the relevant Final Terms or supplement to this Base Prospectus otherwise provides, it:

(a) has not (directly or indirectly) offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of the Notes in Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, the Base Prospectus or any other offering material or advertisement relating to the Notes in Australia,

unless (i) the aggregate consideration payable by each offeree is at least AUD 500,000 (or its equivalent in an alternate currency, in either case disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act 2001 of Australia and complies with the terms of any authority granted under the Banking Act 1959 of Australia, (ii) the offer or invitation does not constitute an offer to a "retail client" as defined for the purposes of section 761G of the Corporations Act 2001 of Australia, (iii) such action complied with all applicable laws, regulations and directives in Australia and (iv) such action does not require any document to be lodged with ASIC or the ASX.

In addition, each Dealer agrees that, in connection with the primary distribution of the Notes, it will not sell Notes to any person who has been notified in writing by Rabobank Australia Branch to be an associate of Rabobank Australia Branch, the acquisition of a Note by whom would cause Rabobank Australia Branch to fail to satisfy the public offer test in section 128F of the Income Tax Assessment Act 1936 of Australia as a result of section 128F(5) of the Income Tax Assessment Act 1936 of Australia.

Singapore

Each Dealer has acknowledged that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase nor will it offer or sell the Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, nor has it circulated or distributed nor will it circulate or distribute this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(3) where no consideration is or will be given for the transfer;

(4) where the transfer is by operation of law; or

(5) as specified in Section 276(7) of the SFA.

Republic of France

Each Dealer has represented, warranted and agreed 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 on the date of notification to the *Autorité des marchés financiers* ("**AMF**") of the approval of the prospectus relating to those Notes by the competent

authority of a member state of the European Economic Area, other than the AMF, which has implemented the EU Prospectus Directive 2003/71/EC, 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 and ending at the latest on the date which is 12 months after the date of the approval of the Base Prospectus; or

(ii) Private placement in France:

it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (b) qualified investors (*investisseurs qualifiés*), as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code *monétaire et financier*.

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, the "**Financial Instruments and Exchange Act**"). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Hong Kong

Each Dealer has represented and agreed that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

United Arab Emirates (excluding the Dubai International Financial Centre)

Each Dealer has represented and agreed that the Notes to be issued under the Programme have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

Dubai International Financial Centre

Each Dealer has represented and agreed that it has not offered and will not offer the Notes to be issued under the Programme to any person in the Dubai International Financial Centre unless such offer is:

(i) an "Exempt Offer" in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (the "**DFSA**"); and

(ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module.

Qatar

Each Dealer has represented and agreed that the Notes have not been, and will not be, offered, sold or delivered, at any time, directly or indirectly in the State of Qatar in a manner that would constitute a public offering.

This document has not been reviewed or approved by or registered with the Qatar Financial Markets Authority or the Qatar Central Bank. This document is strictly private and confidential and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof.

Republic of Italy

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

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with Legislative Decree No. 58 of 24 February 1998, Legislative Decree No. 385 of 1 September 1993 (the "**Banking Act**") and CONSOB Regulation No. 16190 of 29 October 2007, all as amended;

(ii) in compliance with Article 129 of the Banking Act and the implementing guidelines, pursuant to which the Bank of Italy may request information on the offering or issue of securities in Italy; and

(iii) in compliance with any securities, tax, exchange control and any other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time, *inter alia*, by CONSOB or the Bank of Italy.

Austria

The Notes have not and will not be offered to the public in Austria, except that an offer of the Notes may be made to the public in Austria:

(a) if the following conditions have been satisfied:

(i) the Base Prospectus, including any supplements but excluding any Final Terms, in relation to those Notes issued by the Issuer, which has been approved by *Finanzmarktaufsichtsbehörde* in Austria (the "**FMA**") or, where appropriate, approved in another Member State and notified to the FMA, all in accordance with the Prospectus Directive, has been published at least one Austrian banking business day prior to the commencement of the relevant offer;

(ii) the relevant Final Terms for the Notes have been published on or prior to the date of commencement of the relevant offer; and

(iii) a notification with *Oesterreichische Kontrollbank*, all as prescribed by the Capital Market Act 1991, as amended ("**CMA**": *Kapitalmarktgesetz 1991*), has been filed at least one Austrian banking business day prior to the commencement of the relevant offer; or

(b) otherwise in compliance with the CMA.

For the purposes of this provision, the expression "**an offer of the Notes to the public**" means the communication to the public 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 for the Notes.

Brazil

The Notes may not be offered or sold in Brazil, except in circumstances that do not constitute a public offer or sale under Brazilian law or regulations. Any public offering or distribution, as defined under Brazilian laws and regulations, of the Notes in Brazil is not legal without prior registrations required under Brazilian law and regulations, such as those provided for under Law No. 6,385/76, as amended, Instruction No. 400, issued by the *Comissão de Valores*

Mobiliários on December 29, 2003, as amended. Documents relating to the offerings of the Notes, as well as information contained therein, may not be supplied to the public in Brazil (as the offering of the Notes is not a public offering of securities in Brazil), nor be used in connection with any offer for subscription or sale of the Notes to the public, as provided for in the applicable laws and regulations, in Brazil.

Israel

Neither the offering contemplated by these Final Terms nor the Notes have been or will be registered with the Securities Authority of the State of Israel. Accordingly, the Notes may not be offered or sold to the general public in Israel. The Notes shall only be offered to parties of the types that are listed in the First Schedule to the Securities Law, 5728-1968, of the State of Israel.

Monaco

The Notes may not be offered or sold, directly or indirectly, to the public in Monaco other than by a Monaco duly authorised intermediary acting as a professional institutional investor which has such knowledge and experience in financial and business matters as to be capable of evaluating the risks and merits of an investment in the Notes. Consequently, these Final Terms may only be communicated to banks duly licensed by the ''*Autorité de Contrôle Prudentiel*'' and fully licensed portfolio management companies by virtue of Law n° 1.144 of July 26, 1991 and Law n° 1.338 of September 7, 2007 duly licensed by the ''*Commission de Contrôle des Activités Financières*''.

Taiwan

The Notes may not be offered or sold in Taiwan through public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Law of Taiwan. The Notes may only be made available for purchase outside of Taiwan by investors residing in Taiwan that are not otherwise prohibited from investing in the Notes.

FORM OF FINAL TERMS

FINAL TERMS
COÖPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A.
(RABOBANK NEDERLAND)

(a cooperative (*coöperatie*) formed under the laws of the Netherlands with its statutory seat in Amsterdam)

COÖPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A.
(RABOBANK NEDERLAND) AUSTRALIA BRANCH

(Australian Business Number 70 003 917 655)
(a cooperative (*coöperatie*) formed under the laws of the Netherlands with its statutory seat in Amsterdam)

COÖPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A.
(RABOBANK NEDERLAND) SINGAPORE BRANCH

(Singapore Company Registration Number S86FC3634A)
(a cooperative (*coöperatie*) formed under the laws of the Netherlands with its statutory seat in Amsterdam)

EUR 160,000,000,000

Global Medium-Term Note Programme

Due from seven days to perpetuity

SERIES NO: [●]
TRANCHE NO: [●]
[●] Notes due [●] (the "Notes")

Issue Price: [●] per cent.

[Publicity Name(s) of Dealer(s)]

The date of these Final Terms is [●]

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 9 May 2012 [and the supplemental prospectus dated [●]] ([together,] the "**Base Prospectus**") which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the 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 Notes will be issued on the terms of these Final Terms read together with the Base Prospectus. The Issuer accepts responsibility for the information contained in these Final Terms which, when read together with the Base Prospectus, contains all information that is material in the context of the issue of the Notes. The Base Prospectus is available for viewing at, and copies may be obtained from, Rabobank Nederland at Croeselaan 18, 3521 CB Utrecht, the Netherlands and the principal office in England of the Arranger and of the Paying Agent in Luxembourg, Amsterdam and Paris and www.bourse.lu.

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under an offering circular/base prospectus with an earlier date.*]

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the offering circular/base prospectus dated [original date] (the "**Conditions**"), which are incorporated by reference in the base prospectus dated 9 May 2012 [and the supplemental prospectus dated [●]] ([together,] the "**Base Prospectus**") 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 (Directive 2003/71/EC) (the "**Prospectus Directive**") and must be read in conjunction with the 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, the Base Prospectus

and the Conditions. The Notes will be issued on the terms of these Final Terms read together with the Base Prospectus and the Conditions. The Issuer accepts responsibility for the information contained in these Final Terms which, when read together with the Base Prospectus and the Conditions, contains all information that is material in the context of the issue of the Notes. The Base Prospectus is available for viewing at, and copies may be obtained from Rabobank Nederland at Croeselaan 18, 3521 CB Utrecht, the Netherlands and the principal office in England of the Arranger and of the Paying Agent in Luxembourg, Amsterdam and Paris and www.bourse.lu.

[*The following alternative language applies if Notes are issued pursuant to Rule 144A.*]

[THE NOTES REFERRED TO HEREIN THAT ARE REPRESENTED BY A RESTRICTED GLOBAL CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR RESALES OF NOTES REPRESENTED BY A RESTRICTED GLOBAL CERTIFICATE]

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. 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.

[Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs, save in respect of the items in Part B, which may be deleted in accordance with the relevant footnotes. Italics denote guidance for completing the Final Terms.]

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

1	Issuer:	[Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland)[2] Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) Australia Branch Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) Singapore Branch]
2	(i) Series Number:	[●]
	(ii) Tranche Number:	[●]
	[(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)]	
3	Specified Currency or Currencies:	[●]
4	Aggregate nominal amount:	
	(i) Series:	[●]
	(ii) Tranche:	[●]
5	Issue Price:	[●] per cent. of the aggregate nominal amount [plus accrued interest from [*insert date*] (*if applicable*)]
6	(i) Specified Denominations:[3]	[●]
	(ii) Calculation Amount:	[●]
7	(i) Issue Date:	[●]
	(ii) Interest Commencement Date	
	(if different from the Issue Date):	[[●]/Not Applicable]
8	Maturity Date:	[*specify date (or indicate if Notes are perpetual) or (for Floating Rate Notes) Specified Interest Payment Date falling in or nearest to the relevant month and year*] *(N.B. it will be necessary to use the second option for Renminbi denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification)*
9	Domestic Note (if Domestic Note, there will be no gross-up for withholding tax):	[No/Yes]
10	Interest Basis:	[[●] per cent. Fixed Rate] [[*specify reference rate*] +/- [●] per cent. Floating Rate] [Inverse Floating Rate] [Range Accrual] [Zero Coupon] [CMS Linked] [Index Linked Interest] [Equity Linked Interest] [FX Linked Interest] [Other (*specify*)] [further particulars specified below]

2 Only Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) may issue Notes in NGN form.

3 Although Rabobank may issue Notes with a denomination of less than €100,000 or equivalent, where multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]".

11	Redemption/Payment Basis:	[Redemption at par] [Index Linked Redemption] [Equity Linked Redemption] [FX Linked Redemption] [Interest Linked Redemption] [Dual Currency] [Partly Paid] [Instalment] [Protection Amount] [Other (*specify*)] [The Final Redemption Amount shall be determined as provided below.]
12	Change of Interest or Redemption/ Payment Basis:	[*Specify details of any provision for convertibility of Notes into another interest or redemption/ payment basis, including any dates upon which the Issuer may elect to change the Interest Basis pursuant to Condition 6(c)*]
13	Alternative Currency Equivalent:	[Not Applicable/Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph. Where Notes are denominated in Renminbi, it is expected that this paragraph will be marked "Applicable". If so, the sub-paragraphs below should normally be completed.*)
	(i) Alternative Currency:	[●]
	(ii) Alternative Currency Adjudication Agent:	[●]
	(iii) Alternative Currency Calculation Agent:	[●]
	(iv) Rate Calculation Jurisdiction:	[●]
	(v) Rate Calculation Business Days:	[●]
	(vi) Specified Time:	[●]
	(vii) Scheduled Payment Currency Disruption Events:	As specified in the Conditions [and] *[specify additional currency disruption events]*
	(viii) Settlement Rate Option:	[●]
	(ix) USD Settlement Rate Option:	*[Only applicable where the Alternative Currency is a currency other than U.S. dollars]*
	(x) Maximum Days of Postponement:	[●]
14	Put/Call Options/Obligatory Redemption:	[Investor Put] [Issuer Call] [Obligatory Redemption] [(further particulars specified below)]
15	(i) Status of the Notes:	Senior
	(ii) Date approval for issuance of Notes obtained:	[●] [*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes]*
16	Method of distribution:	[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17	**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 [payable [annually/semi annually/quarterly/monthly] in arrear]
(ii)	Interest Payment Date(s):	[●] in each year, commencing on [●] and ending on the Maturity Date (*N.B. Condition 11(h) will apply if an Interest Payment Date falls on a non-business day)* [Provided that if any Interest Payment Date falls on a day which is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day. For these purposes, "**Business Day**" means a day on which commercial banks and foreign exchange markets settle payment and are open for general business (including dealing in foreign exchange and currency deposits) in Hong Kong.] *(N.B. The second option should only be used in the case of Fixed Rate Notes denominated in Renminbi where the Interest Payment Dates are subject to modification)*
(iii)	Fixed Coupon Amount[(s)]:	[[●] per Calculation Amount/Not Applicable] [Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, with CNY0.005 being rounded upwards.] *(N.B. The second option should only be used in the case of Fixed Rate Notes denominated in Renminbi where the Interest Payment Dates are subject to modification)*
(iv)	Broken Amount:	[●] per Calculation Amount *[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)] and the Interest Payment Date(s) to which they relate]*
(v)	Day Count Fraction (Condition 1(a)):	[Actual/Actual; Actual/Actual-ISDA; Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA); Actual/Actual-ICMA; Other] (*Day Count Fraction should be Actual/Actual ICMA for all fixed rate issues other than those denominated in U.S. dollars or Renminbi, unless otherwise agreed*)
(vi)	Determination Date(s) (Condition 1(a)):	[●] in each year *[insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon]*
(vii)	[Business Day Convention:	[Applicable — Modified Following Business Day Convention/other (give details)/Not Applicable]

		[Only applicable where Notes are denominated in Renminbi]
	(viii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/*give details*]
18	**Floating Rate Note Provisions**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph).*
	(i) Interest Period(s):	[●]
	(ii) Specified Interest Payment Dates:	[●]
	(iii) Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
	(iv) Business Centre(s) (Condition 1(a)):	[●] (please provide all the relevant Business Centres)
	(v) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/ other (*give details*)]
	(vi) Interest Period Date(s):	[Not Applicable/*specify dates*]
	(vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s):	[Calculation Agent/[●]]
	(viii) Screen Rate Determination (Condition 1(a)):	[Applicable/Not Applicable]
	– Reference Rate(s):	[●]
	– Interest Determination Date:	[[●]/[TARGET] Business Days in [*specify city*] for [*specify currency*] prior to [the first day in each Interest Accrual Period/each Specified Interest Payment Date]]
	– Relevant Screen Page(s):	[●]
	(ix) ISDA Determination (Condition 1(a)):	[Applicable/Not Applicable]
	– Floating Rate Option(s):	[●]
	– Designated Maturity(ies):	[●]
	– Reset Date:	[●]
	– ISDA Definitions (if different from those set out in the Conditions):	[●]
	(x) Margin(s):	[+/-] [●] per cent. per annum
	(xi) Minimum Rate of Interest:	[●] per cent. per annum
	(xii) Maximum Rate of Interest:	[●] per cent. per annum
	(xiii) Day Count Fraction (Condition 1(a)):	[Actual/Actual; Actual/Actual-ISDA; Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA); Actual/Actual-ICMA; Other]
	(xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]
19	**Inverse Floating Rate Note Provisions**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph).*

(i)	Interest Period(s):	[●]
(ii)	Specified Interest Payment Dates:	[●]
(iii)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
(iv)	Business Centre(s) (Condition 1(a)):	[●] (*please provide all the relevant Business Centres*)
(v)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/ other (*give details*)]
(vi)	Interest Period Date(s):	[Not Applicable/*specify dates*]
(vii)	Applicable formula to be used for calculating the Rate(s) of Interest and Interest Amount(s):	[Condition [●] shall apply]]/[●] *(Specify the Condition which sets out the applicable formula, or include details of any other formula, in each case to be used for calculating the Rate(s) of Interest and Interest Amount(s))*
(viii)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s):	[Calculation Agent/[●]]
(ix)	Screen Rate Determination (Condition 1(a)):	[Applicable/Not Applicable]
	– Reference Rate(s):	[●]
	– Interest Determination Date:	[[●]/[TARGET] Business Days in [*specify city*] for [*specify currency*] prior to [the first day in each Interest Accrual Period/each Specified Interest Payment Date]]
	– Relevant Screen Page:	[●]
(x)	ISDA Determination (Condition 1(a)):	[Applicable/Not Applicable]
	– Floating Rate Option(s):	[●]
	– Designated Maturity(ies):	[●]
	– Reset Date:	[●]
	– ISDA Definitions (if different from those set out in the Conditions):	[●]
(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 (Condition 1(a)):	[Actual/Actual; Actual/Actual-ISDA; Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA); Actual/Actual-ICMA; Other]
(xv)	Gearing Factor:	[●]
(xvi)	Previous Coupon:	[●] *(Insert details of the Previous Coupon where different from that described in the Conditions)*
(xvii)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Inverse Floating Rate Notes, if different from those set out in the Conditions:	[●]
20	**Range Accrual Note Provisions**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph).*

(i)	Interest Period(s):	[●]
(ii)	Specified Interest Payment Dates:	[●]
(iii)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
(iv)	Business Centre(s) (Condition 1(a)):	[●] (please provide all the relevant Business Centres)
(v)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/ other (*give details*)]
(vi)	Interest Period Date(s):	[Not Applicable/*specify dates*]
(vii)	Applicable formula to be used for calculating the Rate(s) of Interest and Interest Amount(s):	[Condition [●] shall apply]]/[●] *(Specify the Condition which sets out the applicable formula, or include details of any other formula, in each case to be used for calculating the Rate(s) of Interest and Interest Amount(s))*
(viii)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s):	[Calculation Agent/[●]]
(ix)	Screen Rate Determination (Condition 1(a)):	[Applicable/Not Applicable]
	– Reference Rate(s):	[●]
	– Interest Determination Date:	[[●]/[TARGET] Business Days in [*specify city*] for [*specify currency*] prior to [the first day in each Interest Accrual Period/each Specified Interest Payment Date]]
	– Relevant Screen Page(s):	[●]
(x)	ISDA Determination (Condition 1(a)):	[Applicable/Not Applicable]
	– Floating Rate Option(s):	[●]
	– Designated Maturity(ies):	[●]
	– Reset Date:	[●]
	– ISDA Definitions (if different from those set out in the Conditions):	[●]
(xi)	Accrual Range:	[●]
(xii)	Applicable Rate:	[●]
(xiii)	Minimum Applicable Rate:	[●]
(xiv)	Fixing Day:	[As per Conditions]/[●]
(xv)	Rate Cut-off Date:	[As per Conditions]/[●]
(xvi)	Gearing Factor:	[●]
(xvii)	Margin(s):	[+/-] [●] per cent. per annum
(xviii)	Minimum Rate of Interest:	[●] per cent. per annum
(xix)	Maximum Rate of Interest:	[●] per cent. per annum
(xx)	Day Count Fraction (Condition 1(a)):	[Actual/Actual; Actual/Actual-ISDA; Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA); Actual/Actual-ICMA; Other]
(xxi)	Business Days:	[As per Conditions]/[●]
(xxii)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Range Accrual	[●]

	Notes, if different from those set out in the Conditions:	
21	**Zero Coupon Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Amortisation Yield (Condition 7(b)):	[●] per cent. per annum
	(ii) Day Count Fraction (Condition 1(a)):	[Actual/Actual; Actual/Actual-ISDA; Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA); Actual/Actual-ICMA; Other]
	(iii) Any other formula/basis of determining amount payable:	[●]
22	**CMS Linked Note Provisions**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph).*
	(i) Interest Period(s):	[●]
	(ii) Specified Interest Payment Dates:	[●]
	(iii) Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
	(iv) Business Centre(s) (Condition 1(a)):	[●] (please provide all the relevant Business Centres)
	(v) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/ other (*give details*)]
	(vi) Interest Period Date(s):	[Not Applicable/*specify dates*]
	(vii) Applicable formula to be used for calculating the Rate(s) of Interest and Interest Amount(s):	[Condition [●] shall apply]]/[●] *(Specify the Condition which sets out the applicable formula, or include details of any other formula, in each case to be used for calculating the Rate(s) of Interest and Interest Amount(s))*
	(viii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s):	[Calculation Agent/[●]]
	(ix) Screen Rate Determination (Condition 1(a)):	[Applicable/Not Applicable]
	– Reference Rate(s):	[●]
	– Interest Determination Date:	[[●]/[TARGET] Business Days in [*specify city*] for [*specify currency*] prior to [the first day in each Interest Accrual Period/each Specified Interest Payment Date]]
	– Relevant Screen Page(s):	[●]
	(x) ISDA Determination (Condition 1(a)):	[Applicable/Not Applicable]
	– Floating Rate Option(s):	[●]
	– Designated Maturity(ies):	[●]
	– Reset Date:	[●]
	– ISDA Definitions (if different from those set out in the Conditions):	[●]
	(xi) Applicable Rate:	[●]
	(xii) Gearing Factor:	[●]
	(xiii) n:	[●]
	(xiv) Previous Coupon:	[●] *(Insert details of the Previous Coupon where*

		different from that described in the Conditions)
(xv)	Margin(s), Margin1 and/or Margin2:	[+/-] [●] per cent. per annum
(xvi)	Minimum Rate of Interest:	[●] per cent. per annum
(xvii)	Maximum Rate of Interest:	[●] per cent. per annum
(xviii)	Day Count Fraction (Condition 1(a)):	[Actual/Actual; Actual/Actual-ISDA; Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA); Actual/Actual-ICMA; Other]
(xix)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on CMS Linked Notes, if different from those set out in the Conditions:	[●]
23	**Index Linked Interest Note Provisions**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
(i)	Description of formula to be used for determining Rate(s) of Interest and Interest Amount:	[●]
(ii)	Calculation Agent responsible for calculating the Rate(s) of Interest and Interest Amount:	[Deutsche Bank AG, London Branch] [*specify other*]
(iii)	[Index:	[●]
	Index Sponsor:	[●]
	Exchange:	[●]
	Related Exchange:	[●]/[All Exchanges]][4]
[(iii)	Basket:	The basket composed of each Index specified below in the relative weighting specified:

Index	Index Sponsor	Business Centres	Exchange(s)	Related Exchange(s)	Weighting][5]

(iv)	Index Valuation Date(s)/Averaging Date(s)]:	[●]
	[Adjustment provisions in the event of a Disrupted Day:]	[Omission/Postponement/Modified Postponement] *(NB: only applicable where Averaging Date(s) are specified)*
(v)	Trade Date:	[Issue Date *(if either (a) there is no related swap transaction or (b) the Trade Date of the related swap transaction is the same date as the Issue Date)/[●] (Insert Trade Date of related swap transaction (if different from Issue Date))*]
(vi)	Valuation Time:	[●]
(vii)	Provisions for determining Rate(s) of Interest and Interest Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable:	[●] *(If applicable, need to include a description of market disruption or settlement disruption events and adjustment provisions)*
(viii)	Additional Disruption Events:	[Applicable/Not Applicable] *(If not applicable, delete the remainder of this paragraph)*

4 Delete entire paragraph if basket of indices.
5 Delete entire paragraph if single index.

		[Change in Law] *[Hedging Disruption]* *[Increased Cost of Hedging]* *[Other]*
(ix)	Interest Period(s):	[●]
(x)	Interest Period Date(s):	[Not Applicable/*specify dates*]
(xi)	Specified Interest Payment Dates:	[●]
(xii)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
(xiii)	Business Centre(s) (Condition 1(a)):	[Please see paragraph (iii) above][6]/[●] *(please provide all the relevant Business Centres)*
(xiv)	Minimum Rate of Interest:	[●] per cent. per annum
(xv)	Maximum Rate of Interest:	[●] per cent. per annum
(xvi)	Day Count Fraction (Condition 1(a)):	[Actual/Actual; Actual/Actual-ISDA; Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA); Actual/Actual-ICMA; Other]
(xvii)	Correction of Index Levels:	Correction of Index Levels [applies/does not apply and the Reference Level shall be calculated without regard to any subsequently published correction]. *(If Correction of Index Levels does not apply, delete the following sub-paragraph)*
	[Correction Cut-Off Date:	[[●] Business Days prior to the Maturity Date.] [In relation to Index Valuation Dates other than the final Index Valuation Date, [●] Business Days after the relevant Index Valuation Date and in relation to the final Index Valuation Date, [●] Business Days prior to the Maturity Date.] [In relation to Averaging Dates other than the final Averaging Date, [●] Business Days after the relevant Averaging Date and in relation to the final Averaging Date, [●] Business Days prior to the Maturity Date.]]
(xviii)	Such other additional terms or provisions as may be required:	[●]
24	**Equity Linked Interest Note Provisions**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
(i)	Description of formula to be used to determine Rate(s) of Interest and Interest Amount:	[●]
(ii)	Calculation Agent responsible for calculating the Rate(s) of Interest and Interest Amount:	[Deutsche Bank AG, London Branch] [*Specify other*]
(iii)	[Underlying Security:	[●]
	Company:	[●]
	ISIN:	[●]
	Exchange:	[●]
	Related Exchange:	[●]/[All Exchanges]][7]

6 Delete if single Index.

[(iii)	Basket:	The basket composed of Underlying Securities of each Company specified below in the [relative proportions/number of shares of each Company] specified:

Index	Index Sponsor	Business Centres	Exchange(s)	Related Exchange(s)	Weighting][8]

(iv)	[Equity Valuation Date(s)/Averaging Date(s)]:	[●]
	[Adjustment provisions in the event of a Disrupted Day:]	[Omission/Postponement/Modified Postponement] NB: *(only applicable where Averaging Date(s) are specified)*
(v)	Trade Date	[Issue Date *(if either (a) there is no related swap transaction or (b) the Trade Date of the related swap transaction is the same date as the Issue Date)/[●] (Insert Trade Date of related swap transaction (if different from Issue Date))*]
(vi)	Valuation Time:	[●]
(vii)	Provisions for determining Rate(s) of Interest and Interest Amount where calculation by reference to Underlying Security and/or Formula is impossible or impracticable:	[●] *(If applicable, need to include a description of market disruption or settlement disruption events and adjustment provisions, including:* *[Potential Adjustment Event]* *[Merger Event]* *[Tender Offer]* *[Nationalisation]* *[De-Listing]* *[Insolvency]* *[Other])* [Applicable/Not Applicable] *(If not applicable, delete the remainder of this paragraph)*
(viii)	Additional Disruption Events:	*[Change in Law]* *[Hedging Disruption]* *[Increased Cost of Hedging]* *[Other]*
(ix)	Interest Period(s):	[●]
(x)	Interest Period Dates:	[Not Applicable/*specify dates*]
(xi)	Specified Interest Payment Date(s):	[●]
(xii)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
(xiii)	Business Centre(s) (Condition 1(a)):	[Please see paragraph (iii) above][9]/[●] *(please provide all the relevant Business Centres)*
(xiv)	Minimum Rate of Interest:	[●] per cent. per annum
(xv)	Maximum Rate of Interest:	[●] per cent. per annum
(xvi)	Day Count Fraction (Condition 1(a)):	[Actual/Actual; Actual/Actual-ISDA; Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis;

7 Delete entire paragraph if basket of Underlying Securities.

8 Delete entire paragraph if single Underlying Security.

9 Delete if single Underlying Security.

		30E/360 (ISDA); Actual/Actual-ICMA; Other]
(xvii)	Correction of Underlying Security Prices:	Correction of Underlying Security Prices [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction]. *(If Correction of Underlying Security Prices does not apply, delete the following sub-paragraph)*
	[Correction Cut-Off Date:	[[●] Business Days prior to the Maturity Date.] [In relation to Equity Valuation Dates other than the final Equity Valuation Date, [●] Business Days after the relevant Equity Valuation Date and in relation to the final Equity Valuation Date, [●] Business Days prior to the Maturity Date.] [In relation to Averaging Dates other than the final Averaging Date, [●] Business Days after the relevant Averaging Date and in relation to the final Averaging Date, [●] Business Days prior to the Maturity Date.]]
(xviii)	Exchange Rate:	[Applicable/Not Applicable] *[If applicable, insert details]*
(xix)	Such other additional terms or provisions as may be required:	[●]
25	**FX Linked Interest Note Provisions**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
(i)	Description of formula to be used to determine Rate(s) of Interest and Interest Amount where calculated by reference to FX Rate:	[●]/[Condition [●] shall apply]
	– [Base Currency]	[●]
	– [Reference Currency:]	[●]
	– [FX_n:]	[●]
	– [FX_o:]	[●]
	– [$Rate_1$:]	[●] *(If applicable, include details of the applicable Reference Rate or Floating Rate Option by reference to which $Rate_1$ will be determined, together with details of the Relevant Screen Page)*
	– [$Rate_2$:]	[●] *(If applicable, include details of the applicable Reference Rate or Floating Rate Option by reference to which $Rate_2$ will be determined, together with details of the Relevant Screen Page)*
(ii)	Calculation Agent responsible for calculating the Rate(s) of Interest and Interest Amount:	[Deutsche Bank AG, London Branch] [*specify other*]
(iii)	[FX Rate(s):	[●]]
[(iii)	Basket:	[●]]
(iv)	Trade Date:	[Issue Date *(if either (a) there is no related swap transaction or (b) the Trade Date of the related swap transaction is the same date as the Issue Date)/[●] (Insert Trade Date of related swap transaction (if different from Issue Date))*]
(v)	Reference Currency:	[●]

(vi)	Base Currency:	[●]
(vii)	FX Price Source:	[●]
(viii)	FX Rate Sponsor:	[●]
(ix)	Number of FX Settlement Days:	[●]
(x)	[FX Valuation Date(s)/Averaging Date(s)]:	[●]
(xi)	Valuation Time:	[●]
(xii)	Initial FX Valuation Date:	[●]
(xiii)	Initial FX Averaging Date:	[●]
(xiv)	FX Interest Valuation Date:	[●]
(xv)	Interest Period(s):	[●]
(xvi)	Interest Period Dates:	[Not Applicable/*specify dates*]
(xvii)	Specified Interest Payment Date(s):	[Not Applicable/*specify dates*]
(xviii)	FX Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
(xix)	FX Financial Centre:	[●]
(xx)	Minimum Rate of Interest:	[●] per cent. per annum
(xxi)	Maximum Rate of Interest:	[●] per cent. per annum
(xxii)	Day Count Fraction:	[Actual/Actual; Actual/Actual-ISDA; Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA); Actual/Actual-ICMA; Other]
(xxiii)	Provisions for determining Rate(s) of Interest and Interest Amount:	[●] *(If applicable, need to include a description of market disruption or settlement disruption events and adjustment provisions)*
(xxiv)	Disrupted Days:	[Price Source Disruption and/or Inconvertibility Event as specified in Condition 10] [Other Events]
(xxv)	Additional Disruption Events:	[Applicable/Not Applicable] *(If not applicable, delete the remainder of this paragraph)* *[Change in Law]* *[Hedging Disruption]* *[Increased Cost of Hedging]* *[Other]*
(xxvi)	Disruption Fallbacks:	
	(a) Calculation Agent FX Determination:	[●]
	(b) Currency Reference Dealers:	[●]
	(c) Fallback Reference Price:	[●]
	(d) Other:	[●]
(xxvii)	FX Averaging Reference Dates - Omission:	[Applicable/Not Applicable]
(xxviii)	Fallback Valuation Date:	[●]
(xxix)	Successor Currency:	[●]
(xxx)	Rebasing:	[Applicable/Not Applicable]
(xxxi)	FX Reference Dealers:	[Applicable/Not Applicable] *(If applicable, please specify such dealers)*
(xxxii)	FX Range Notes:	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

	– Currency Pair:	[●]
	– Minimum Currency Rate:	[●]
	– Maximum Currency Rate:	[●]
	– Observation Period:	[●]
	– $Rate_1$:	[●]
	– $Rate_2$:	[●]
	– FX Determination Date:	[As per Conditions]/[●]
	(xxxiii) Such other additional terms or provisions as may be required:	[●]
26	**Dual Currency Note Provisions**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Rate of Exchange/Method of calculating Rate of Exchange:	[*Give details*]
	(ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due:	[Deutsche Bank AG, London Branch] [Specify other]
	(iii) Provisions applicable where calculation by reference to Rate of Exchange is impossible or impracticable:	[●]
	(iv) Person at whose option Specified Currency(ies) is/are payable:	[●]
	(v) Day Count Fraction (Condition 1(a)):	[Actual/Actual; Actual/Actual-ISDA; Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA); Actual/Actual-ICMA; Other]
27	**Interest Trigger Event**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Initial Rate of Interest:	[●]
	(ii) Reset Rate of Interest:	[●]
	(iii) Minimum Interest Amount:	[●]
28	**Knock-in Event**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Initial Rate of Interest:	[●]
	(ii) Reset Rate of Interest:	[●]
	(iii) Knock-in Barrier:	[●]
	(iv) [Reference Period]/[Reference Time]:	[Condition [●] shall apply]]/[●]
	(v) Relevant Rate:	[●] *(Specify or include a cross reference to the section in the Final Terms in which the Relevant Rate is set out)*
	(vi) Other additional terms or provisions as may be required:	[●]/[For the purposes of the definition of "Knock-in Event", a Knock-in Event shall occur when the Relevant Rate is less than the Knock-in Barrier [at any time during the Reference Period]/[at the Reference Time]]
PROVISIONS RELATING TO REDEMPTION		
29	**Call Option**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph) (Refer to Condition [●])*

(i)	Optional Redemption Date(s):	[●]
(ii)	Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Calculation Amount]/[Condition [7(d)(ii)] shall apply]
	– [Reference Rate:]	[●]
	– [Strike Rate:]	[●]
	– [X:]	[●]
	– [Observation Date:]	[As per Conditions]/[●]
(iii)	If redeemable in part:	
	Minimum Redemption Amount:	[●] per Calculation Amount
	Maximum Redemption Amount:	[●] per Calculation Amount
(iv)	Notice period:	[The Issuer shall give notice of its intention to redeem the Notes not less than [●] Business Days prior to the relevant Optional Redemption Date]
30	**Put Option**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
(i)	Optional Redemption Date(s):	[●]
(ii)	Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Calculation Amount
(iii)	Notice period:	[●]
31	**Final Redemption Amount (all Notes except Equity Linked Redemption Notes, Index Linked Redemption Notes and FX Linked Notes) of each Note**	[●] per Calculation Amount
32	**Final Redemption Amount (Index Linked Redemption Notes) of each Note**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
(i)	Formula for calculating the Final Redemption Amount:	[●]
(ii)	Calculation Agent responsible for calculating the Final Redemption Amount:	[Deutsche Bank AG, London Branch] [*Specify other*]
(iii)	[Index:	[●]
	Index Sponsor:	[●]
	Exchange:	[●]
	Related Exchange:	[●]/[All Exchanges]][10]
[(iii)	Basket:	The basket composed of each Index specified below in the relative weighting specified:

Index	Index Sponsor	Business Centres	Exchange(s)	Related Exchange(s)	Weighting][11]

(iv)	[Index Valuation Date(s)/Averaging Date(s)]:	[●]
	[Adjustment provisions in the event of a Disrupted Day:]	[Omission/Postponement/Modified Postponement] *(NB: only applicable where Averaging Date(s) are specified)*
(v)	Valuation Time:	[●]

10 Delete entire paragraph if basket of Indices.
11 Delete entire paragraph if single Index.

(vi)	Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[●] *(If applicable, need to include a description of market disruption events and adjustment provisions)*
		[Applicable/Not Applicable] *(If not applicable, delete the remainder of this paragraph)* *[Change in Law]* *[Hedging Disruption]* *[Increased Cost of Hedging]*
(vii)	Additional Disruption Events:	*[Other]*
(viii)	Minimum Final Redemption:	[●]
(ix)	Maximum Final Redemption:	[●]
(x)	Correction of Index Levels:	Correction of Index Levels [applies/does not apply and the Reference Level shall be calculated without regard to any subsequently published correction]. *(If Correction of Index Levels does not apply, delete the following sub-paragraph)*
	[Correction Cut-Off Date:	[[●] Business Days prior to the Maturity Date.] [In relation to Index Valuation Dates other than the final Index Valuation Date, [●] Business Days after the relevant Index Valuation Date and in relation to the final Index Valuation Date, [●] Business Days prior to the Maturity Date.] [In relation to Averaging Dates other than the final Averaging Date, [●] Business Days after the relevant Averaging Date and in relation to the final Averaging Date, [●] Business Days prior to the Maturity Date.]]
(xi)	Such other additional terms or provisions as may be required:	[●]
33	**Final Redemption Amount (Equity Linked Redemption Notes) of each Note**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
(i)	Formula for calculating the Final Redemption Amount:	[●]
(ii)	Calculation Agent responsible for calculating the Final Redemption Amount:	[Deutsche Bank AG, London Branch] [*Specify other*]
(iii)	[Underlying Security:	[●]
	Company:	[●]
	ISIN:	[●]
	Exchange:	[●]
	Related Exchange:	[●]/[All Exchanges]][12]
[(iii)	Basket:	The basket composed of Underlying Securities of each Company specified below in the [relative proportions/number of shares of each Company] specified:

12 Delete entire paragraph if basket of Underlying Securities.

Index	Index Sponsor	Business Centres	Exchange(s)	Related Exchange(s)	Weighting][13]

(iv)	[Equity Valuation Date(s)/Averaging Date(s):]	
	[Adjustment provisions in the event of a Disrupted Day:]	[Omission/Postponement/Modified Postponement] *(NB: only applicable where Averaging Date(s) are specified)*
(v)	Valuation Time:	[●]
(vi)	Business Centre:	[Please see paragraph (iii) above][14]/[●] *(Please provide all the relevant Business Centres)*
(vii)	Physical Settlement by delivery of the Underlying Securities Amount:	*[Applicable/Not Applicable] [If Physical Settlement does not apply, delete the following sub-paragraphs]*
	[Underlying Securities Amount:	[●]
	Presentation Date:	[●]
	Clearing system through which the Underlying Securities Amount may be delivered upon redemption:	[●]
	Delivery Agent:	[Co-operatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International)] [Specify other]]
(viii)	Correction of Underlying Security Prices:	Correction of Underlying Security Prices [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction].
		(If Correction of Underlying Security Prices does not apply, delete the following sub-paragraph)
	[Correction Cut-Off Date:	[[●] Business Days prior to the Maturity Date.]
		[In relation to Equity Valuation Dates other than the final Equity Valuation Date, [●] Business Days after the relevant Equity Valuation Date and in relation to the final Equity Valuation Date, [●] Business Days prior to the Maturity Date.]
		[In relation to Averaging Dates other than the final Averaging Date, [●] Business Days after the relevant Averaging Date and in relation to the final Averaging Date, [●] Business Days prior to the Maturity Date.]]
(ix)	Provisions for determining Final Redemption Amount where calculation by reference to Underlying Security and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[●] *(If applicable, need to include a description of Final Redemption Amount where market disruption or settlement disruption events and adjustment provisions, including:*
		[Potential Adjustment Event]
		[Merger Event]
		[Tender Offer]
		[Nationalisation]
		[De-Listing]
		[Insolvency]
		[other]

13 Delete entire paragraph if single Underlying Security.
14 Delete if single Underlying Security.

		[Applicable/Not Applicable] *(If not applicable, delete the remainder of this paragraph)* *[Other])* *[Change in Law]* *[Hedging Disruption]* *[Increased Cost of Hedging]*
	(x) Additional Disruption Events:	*[Other]*
	(xi) Exchange Rate:	[Applicable/Not Applicable] *[If applicable insert details]*
	(xii) Such other additional terms or provisions as may be required:	[●]
34	**Final Redemption Amount (FX Linked Redemption Notes) of each Note**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Description of formula to be used to determine Final Redemption Amount where calculated by reference to a FX Rate:	[●]
	(ii) Calculation Agent responsible for calculating the Final Redemption Amount:	[Deutsche Bank AG, London Branch] [*specify other*]
	(iii) [FX Rate(s):	[●]]
	[(iii) Basket:	[●]]
	(iv) Trade Date:	[Issue Date *(if either (a) there is no related swap transaction or (b) the Trade Date of the related swap transaction is the same date as the Issue Date)/[●] (Insert Trade Date of related swap transaction (if different from Issue Date))*]
	(v) Reference Currency:	[●]
	(vi) Base Currency:	[●]
	(vii) FX Price Source:	[●]
	(viii) FX Rate Sponsor:	[●]
	(ix) Number of FX Settlement Days:	[●]
	(x) [FX Valuation Date(s)/Averaging Date(s)]:	[●]
	(xi) Valuation Time:	[●]
	(xii) Initial FX Valuation Date:	[●]
	(xiii) Initial FX Averaging Date:	[●]
	(xiv) FX Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]
	(xv) FX Financial Centre:	[●]
	(xvi) Day Count Fraction:	[Actual/Actual; Actual/Actual-ISDA; Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA); Actual/Actual-ICMA; Other]
	(xvii) Provisions for determining Final Redemption Amount:	[●] *(If applicable, need to include a description of market disruption or settlement disruption events and adjustment provisions)*
	(xviii) Disruption Days:	[Price Source Disruption and/or Inconvertibility Event as specified in Condition 10] [Other Events]

		[Applicable/Not Applicable] *(If not applicable, delete the remainder of this paragraph)* *[Change in Law]* *[Hedging Disruption]* *[Increased Cost of Hedging]*
	(xix) Additional Disruption Events:	*[Other]*
	(xx) Disruption Fallbacks:	
	(a) Calculation Agent FX Determination:	[●]
	(b) Currency Reference Dealers:	[●]
	(c) Fallback Reference Price:	[●]
	(d) Other:	[●]
	(xxi) FX Averaging Reference Dates – Omission:	[Applicable/Not Applicable]
	(xxii) Fallback Valuation Date:	[●]
	(xxiii) Successor Currency:	[●]
	(xxiv) Rebasing:	[Applicable/Not Applicable]
	(xxv) FX Reference Dealers:	[Applicable/Not Applicable] *(If applicable, please specify such dealers)*
	(xxvi) Such other additional terms or provisions as may be required:	[●]
35	**Early Redemption Amount**	
	Early Redemption Amount(s) payable per Calculation Amount and/or the method of calculating the same (if required or if different from that set out in the Conditions) on redemption (a) on the occurrence of an event of default (Condition 14) or (b) for illegality (Condition 7(j)) or (c) for taxation reasons (Condition 7(c)), or (d) in the case of Equity Linked Redemption Notes, following certain corporate events in accordance with Condition 7(g) or (e) in the case of Index Linked Redemption Notes, following an Index Modification, Index Cancellation or Index Disruption Event (Condition 7(h)) or (f)) in the case of Equity Linked Redemption Notes, Index Linked Redemption Notes or FX Linked Notes, following an Additional Disruption Event (if applicable) Condition 7(i)):	[[●]/Not Applicable] [less the cost to the Issuer and/or payable on redemption following its Affiliates of unwinding or adjusting any underlying or Nationalisation, Delisting or Insolvency related hedging arrangements in respect of the Notes]
		(in the case of Equity Linked Redemption Notes and Index Linked Redemption Notes) [Early Redemption Amount includes an amount in respect of accrued interest: no additional amount in respect of accrued interest to be paid] or [Early Redemption Amount does not include an amount in respect of accrued interest: together with the Early Redemption Amount, accrued interest shall also be paid]
36	**Obligatory Redemption**	[Applicable/Not Applicable]
	(i) Obligatory Redemption Amount:	[●] per Calculation Amount
	(ii) Obligatory Redemption Commence-	[●]

	ment Date:	
(iii)	Maximum Interest Amount:	[●] per Calculation Amount
(iv)	Notice period:	[Condition [7(b)(iii)] shall apply]/[●]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

37	**Form of Notes**	Bearer Notes/Exchangeable Bearer Notes/ Registered Notes] (Refer Condition [●]) *[Delete as appropriate]* [temporary Global Note/Certificate exchangeable for a permanent Global Note/Certificate which is exchangeable for Definitive Notes/Certificates on [●] days' notice/at any time/in the limited circumstances specified in the permanent Global Note/Certificate] [temporary Global Note/Certificate exchangeable for Definitive Notes/Certificates on [●] days' notice][15] [permanent Global Note/Certificate exchangeable for Definitive Notes/Certificates on [●] days' notice/at any time/in the limited circumstances specified in the permanent Global Note/ Certificate][15] [restricted Global Certificate exchangeable for Definitive Certificates in the limited circumstances specified in the restricted Global Certificate (for Notes issued pursuant to Rule 144A)] [unrestricted] Global Certificate [registered in the name of [a nominee for DTC/a common depositary for Euroclear and Clearstream Luxembourg] [a common safekeeper for Euroclear and Clearstream, Luxembourg] (that is, held under the NSS)] exchangeable for Definitive Certificates in the limited circumstances specified in the unrestricted Global Certificate (for Notes issued pursuant to Regulation S)]
	New Global Notes:[16]	[Yes/No]
38	Financial Centre(s) (Condition 11(h)) or other special provisions relating to payment dates:	Not Applicable/Conditon 11(h)(i)[(A)/(B)] applies/ give details. *[Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraphs 18(iv), 19(iv), 20(iv), 22(iv), 23(xiii), 24(xiii) and 33(vi) relate]*
39	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No *If yes, give details*]
40	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay,	[Not Applicable/give details]

15 The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]." Furthermore such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note/Certificate exchangeable for Definitive Notes, other than in the limited circumstances specified in the permanent Global Note/Certificate.

16 Only Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) may issue Notes in NGN form or in the form of Registered Notes to be held under the NSS.

	including any right of the Issuer to forfeit the Notes and interest due on late payment:	
41	Details relating to Instalment Notes: Amount of each instalment, date on which each payment is to be made:	[Not Applicable/*give details*]
42	Redenomination, renominalisation and reconventioning provisions:	[Not Applicable/The provisions [in Condition [●]] [annexed to these Final Terms] apply]
43	Consolidation provisions:	[Not Applicable/The provisions [in Condition [●]] [annexed to these Final Terms] apply]
44	Other terms or special conditions:[17]	[[●]/Not Applicable]

DISTRIBUTION

45	(i) If syndicated, names and addresses of Managers:	*[Not Applicable/give names and addresses]* *(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 extra information will be required if the managers and underwriters are not the same or if the placing is on a "best efforts" basis if such entities are not the same as the Dealers. Where applicable, set out the material features of any underwriting agreements, including quotas, and where an issue is only partially underwritten, include a statement of the portion not covered.)*
	(ii) Date of Subscription Agreement:	[●]
	(iii) Stabilising Manager(s) (if any):	[Not Applicable/*give names*]
	(iv) [Managers'/Dealer's] Commission:	[●]
46	If non-syndicated, name and address of Dealer:	[Not Applicable/*give names and addresses*] [If the sole Dealer in respect of Notes issued by Rabobank Nederland is Rabobank International Rabobank International will not subscribe for the Notes, but will act as agent for the placement of Notes. Such Notes will be deemed to be issued at the time when the Notes are transferred from Rabobank International to the subscriber and Rabobank International receives funds from the subscriber on behalf of Rabobank Nederland]
47	Applicable TEFRA exemption:	[C Rules/D Rules/Not Applicable]
48	Additional selling restrictions:	[Not Applicable/*give details*]
49	Non-exempt Offer:	[Not Applicable] [An offer of the Notes may be made by the Manager(s) other than pursuant to Article 3(2) of the Prospectus Directive in [*specify relevant Member State(s) – which must be jurisdictions where the Prospectus and any supplements have been passported*] (the "**Public Offer Jurisdictions**") during the period from [*specify date*] until [*specify date*] (the "**Offer Period**").

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

GENERAL

50	Additional steps that may only be taken following approval by an Extraordinary Resolution in accordance with Condition 15(a):	[Not Applicable/*give details*]
51	In the case of Notes listed on Euronext Amsterdam:	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Numbering and letters:	The Notes will be numbered from 1 onwards and in the denominations of [currency/amount] and [currency/amount] and will be preceded by the letters [A, AfV, AX, AM, AF] Not Applicable
	(ii) Amsterdam Listing Agent:	Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International)
	(iii) Amsterdam Paying Agent:	Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International)

[LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the EUR 160,000,000,000 Global Medium-Term Note Programme of Rabobank Nederland.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [Information on the underlying has been extracted from [●]. 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 [●], 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

(i) Listing:	[Euronext Amsterdam/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 [●]/No application for admission to trading has been made].[18]
(iii) Estimate of total expenses related to admission to trading:	[●]

2 Ratings

Rating:	[Not Applicable] [The Notes to be issued [have been][/][are expected to be] rated:] [Fitch: [●]] [Fitch Australia: [●]] [Moody's: [●]] [Standard & Poor's: [●]] [[Other: [●]] *(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.)* *[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]* *Insert one (or more) of the following options, as applicable:* **Option 1: CRA is (i) established in the EU and (ii) registered under the CRA Regulation:** [*Insert legal name of particular credit rating agency entity providing rating*] is established in the EU and registered under Regulation (EC) No 1060/2009 (the "**CRA Regulation**"). **Option 2: CRA is (i) established in the EU, (ii) not registered under the CRA Regulation; but (iii) has applied for registration:** [*Insert legal name of particular credit rating agency entity providing rating*] is established in the EU and has applied for registration under Regulation (EC) No 1060/2009 (the "**CRA Regulation**"), although notification of the registration decision has not yet been provided. **Option 3: CRA is (i) established in the EU; and (ii) has not applied for registration is not registered under the CRA Regulation:** [*Insert legal name of particular credit rating agency entity providing rating*] is established in the EU and is neither registered nor has it applied for registration under Regulation (EC)

18 Where documenting a fungible issue, indicate that original securities are already admitted to trading.

No1060/2009 (the "**CRA Regulation**").

Option 4: CRA is not established in the EU but the relevant rating is endorsed by a CRA which is established and registered under the CRA Regulation:

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EU but the rating it has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the EU and registered under Regulation (EC) No 1060/2009 (the "**CRA Regulation**").

Option 5: CRA is not established in the EU and the relevant rating is not endorsed under the CRA Regulation, but the CRA is certified under the CRA Regulation:

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EU but is certified under Regulation (EC) No 1060/2009 (the "**CRA Regulation**").

Option 6: CRA is neither established in the EU nor certified under the CRA Regulation and the relevant rating is not endorsed under the CRA Regulation:

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EU and is not certified under Regulation (EC) No 1060/2009 (the "**CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EU and registered under the CRA Regulation.

3 [Interests of natural and legal persons involved in the [issue/offer]

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

[Save as disclosed in the Base Prospectus,] so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.]]

4 [Reasons for the offer, estimated net proceeds and total expenses][19]

(i)	Reasons for the offer:	[●] *(See "Use of Proceeds" wording in Base Prospectus — if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]*
(ii)	Estimated net proceeds:	[●] *(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*
(iii)	Estimated total expenses:	[●] *[Include breakdown of expenses.]*

19 Delete if the minimum denomination is at least €100,000 (unless otherwise required for derivative securities to which Annex XII of the Prospectus Directive applies).

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

5 Yield (Fixed Rate Notes only) [●]

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

The yield is calculated at the Issue Date on the basis of the Issue Price. It is NOT an indication of future yield.

6 Historic interest rates *(Floating Rate Notes only)*[20]

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

7 Performance of index/formula, explanation of effect on value of investment and associated risks and other information concerning the underlying *(Index-Linked Notes only)*[21]

[Include details of where past and future performance and volatility of the index/formula can be obtained]

[Include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

[Need to include details of the settlement procedures for derivative securities]

[Need to include the exercise date or final reference date]

[Need to include the exercise price or the final reference price of the underlying]

[Need to include a description of any market disruption or settlement disruption events that affect the underlying.]

[Need to include adjustment rules in relation to events concerning the underlying.]

[Where the underlying is a security the name of the issuer of the security and its ISIN or other such security identification code.]

[Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]

[Where the underlying is an interest rate a description of the interest rate.]

[Where the underlying is a basket of underlyings disclosure of the relevant weightings of each underlying in the basket.]

8 Performance of rate[s] of exchange and explanation of effect on value of investment *(Dual Currency Notes only)*[22]

[Include details of where past and future performance and volatility of the relevant rates can be obtained]

[Include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident]

9 Performance of underlying, explanation of effect on value of investment and associated risks and information concerning the underlying *(Equity-Linked Notes only)*[23]

[Need to include details of the settlement procedures for derivative securities]

[Need to include the exercise price or the final reference price of the underlying]

20 Delete if the minimum denomination is at least €100,000.
21 Required for derivative securities to which Annex XII of the Prospectus Directive applies.
22 Delete if the minimum denomination is at least €100,000.
23 Required for derivative securities to which Annex XII of the Prospectus Directive applies.

[Need to include a description of any market disruption or settlement disruption events that affect the underlying.]

[Need to include the exercise date or final reference date]

[Need to include adjustment rules in relation to events concerning the underlying.]

[Where the underlying is a security the name of the issuer of the security and its ISIN or other such security identification code.]

[Include details of where past and future performance and volatility of the relevant rates can be obtained]

[Include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

[Where the underlying is Equity, include the name of underlying and include details of where the information about the Equity can be obtained.]

10 Performance of underlying, explanation of effect on value of investment and associated risks and information concerning the underlying *(FX Linked Notes only)*[24]

[Include details of where past and future performance and volatility of the relevant currency/ formula]

[Include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

[Need to include details of the settlement procedures for derivative securities]

[Need to include the exercise price or the final reference price of the underlying]

[Need to include a description of any market disruption or settlement disruption events that affect the underlying.]

[Need to include adjustment rules in relation to events concerning the underlying.]

[Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.

[Where the underlying is an interest rate a description of the interest rate.]

[Where the underlying is a basket of underlyings disclosure of the relevant weightings of each underlying in the basket.]

11 Operational information

(i)	Intended to be held in a manner which would allow Eurosystem eligibility:[25]	[Yes/No] [Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs[26] as common safekeeper [, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][*include this text for registered notes*] 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 satisfaction of the Eurosystem eligibility criteria.][*include this text if "yes" selected in which case bearer Notes must be issued in NGN form*]

24 Required for derivative securities to which Annex XII of the Prospectus Directive applies.

25 Only Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) may issue Notes in NGN form.

26 The International Central Securities Depositories (i.e. Euroclear S.A./N.V. and Clearstream Banking, société anonyme).

(ii)	ISIN:	[●]
(iii)	Common Code:	[●]
(iv)	German WKN-code:	[●]/Not Applicable
(v)	Private Placement number:	[●]/Not Applicable
(vi)	Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant number(s):	[Not Applicable/give *name(s) and number(s)*]
(vii)	The Depository Trust Company	[Rabobank Nederland only – CUSIP Number]
(viii)	Delivery:	Delivery [against/free of] payment
(ix)	Names and addresses of additional Paying/Delivery Agent(s) (if any):	Not Applicable/[●]
(x)	Names (and addresses) of Calculation Agent(s):	[Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom] [*Specify other*]
12	**General**	[Applicable/Not Applicable], *(if not applicable, delete the remaining sub-paragraphs of this paragraph)*[27]
(i)	Conditions to which the offer is subject:	[●]
(ii)	Description of the application process:	[●]
(iii)	Description of possibility to reduce subscriptions:	[●]
(iv)	Manner for refunding excess amount paid by applicants:	[●]
(v)	Minimum and/or maximum amount of application:	[●]
(vi)	Method and time limit for paying up the securities and for delivery of the Notes:	[●]
(vii)	Manner and date on which results of the offer are to be made public:	[●]
(viii)	Procedure for exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised:	[●]
(ix)	Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries.	[●]
(x)	Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[●]
(xi)	Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[●]

27 Not applicable if the minimum denomination is at least €100,000 (unless otherwise required for derivative securities to which Annex XII of the Prospectus Directive applies).

(xii)	Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:	[●]

[Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the "**Income Tax Act**") shall not apply if such person acquires such Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.][28]

[Rabobank Singapore Branch, as issuer of the Notes, is subject to restrictions on the acceptance of deposits in Singapore dollars. The Notes do not constitute or evidence a debt repayable by Rabobank Singapore Branch on demand to the Noteholder. The Noteholder may recover the principal sum from Rabobank Singapore Branch subject to the Terms and Conditions of the Notes as set out in the Base Prospectus. The value of the Notes, if sold on the secondary market, is subject to the market conditions prevailing at the time of the sale.][29]

28 To be inserted where the Notes are "qualifying debt securities" under the Income Tax Act, Chapter 134 of Singapore, and the Notes are issued by Rabobank Singapore Branch.

29 To be inserted when the Notes are issued by Rabobank Singapore Branch, denominated in Singapore dollars, issued to sophisticated investors (as defined in the Guidelines for Operation of Wholesale Banks issued by the Monetary Authority of Singapore) or their nominees and Rabobank Singapore Branch reasonably expects or foresees that the Notes will not be held at all times by persons who are sophisticated investors.

GENERAL INFORMATION

1. Application has been made to the AFM to approve this document as a base prospectus for the purposes of Article 5.4 of the Prospectus Directive. Application has also be made for Notes issued under the Programme to be admitted to trading on Euronext Amsterdam, and to be admitted to the Official List and to trading on the Luxembourg Stock Exchange's regulated market. In connection with the application to list the Notes under the Programme on the Official List of the Luxembourg Stock Exchange a legal notice relating to the issue of the Notes and a copy of the articles of association of Rabobank Nederland will be deposited with the Registre de Commerce et des Sociétés à Luxembourg where such documents may be examined and copies may be obtained.

2. The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes. The update and amendment to the Programme was authorised by Rabobank Nederland by a resolution of the Executive Board of Rabobank Nederland passed on 8 November 2011, by a resolution of the Supervisory Board passed on 28 November 2011 and by a secretary's certificate dated 9 May 2012.

3. There has been no significant change in the financial or trading position of the Issuer or of Rabobank Group, and there has been no material adverse change in the financial position or prospects of the Issuer or of Rabobank Group, since 31 December 2011.

4. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the period covering the 12 months preceding the date of this Base Prospectus which may have, or have had in the recent past, significant effects on the Issuer's and/or Rabobank Group's financial position or profitability.

5. Each Bearer Note, Receipt, Coupon and Talon will bear the following legend: ''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''.

6. The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. In addition, Rabobank Nederland will make an application with respect to any Restricted Notes of a Registered Series to be accepted for trading in book-entry form by DTC. Acceptance by DTC of Restricted Notes of each Tranche of a Registered Series issued by Rabobank Nederland will be confirmed in the relevant Final Terms. The Common Code, the International Securities Identification Number (ISIN), the Committee on Uniform Security Identification Procedure (CUSIP) number and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.

   The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg, Luxembourg and the address of DTC is 55 Water Street, New York, New York 10041 USA. The address of any Alternative Clearing System will be specified in the relevant Final Terms.

7. The issue price and the amount of the relevant Notes will be determined based on the prevailing market conditions. The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

8. So long as any of the Notes are outstanding the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Paying Agent in Luxembourg:

   (i) the Agency Agreement (as amended and supplemented from time to time) relating to the Programme (which includes the form of the Global Notes, the Definitive Notes, the Certificates and the Coupons, Talons and Receipts relating to Bearer Notes);

   (ii) each set of Final Terms for Notes that are listed on Euronext Amsterdam or the Luxembourg Stock Exchange; and

   (iii) the articles of association of Rabobank Nederland.

9. For the period of 12 months following the date of this Base Prospectus, copies of the following documents will be available, free of charge during usual business hours on any weekday (Saturdays and public holidays excepted), at the office of the Fiscal Agent and the Paying Agents in Luxembourg and the Netherlands:
   (i) the Agency Agreement (as amended and supplemented from time to time) (which includes the form of the Global Notes, the Registered Notes, the Definitive Notes, and the Coupons, Talons and Receipts relating to Definitive Notes) and the Covenant (as amended and supplemented from time to time);
   (ii) the articles of association of the Issuer;
   (iii) the audited and consolidated financial statements of the Issuer and Rabobank Group for the years ended 31 December 2011, 31 December 2010 and 31 December 2009 (together with the explanatory notes and the independent auditor's reports in respect thereof);
   (iv) the audited statutory financial statements of Rabobank Nederland for the years ended 31 December 2009, 2010 and 2011 (together with the explanatory notes and the independent auditor's reports in respect thereof);
   (v) a copy of this Base Prospectus (together with any supplement to this Base Prospectus or further Base Prospectus); and
   (vi) a copy of the ISDA Definitions.
10. Ernst & Young Accountants LLP, of which the ''Registeraccountants'' are members of the Royal Dutch Professional Organization for Accountants, has audited, and issued unqualified audit reports, on the financial statements of Rabobank Nederland for the years ended 31 December 2011, 2010 and 2009.
11. The latest published financial information is dated at 31 December 2011.
12. No interim financial information in respect of the Issuer is available subsequent to 31 December 2011.
13. As of the date of this Base Prospectus, Rabobank Group is not party to any contracts (not entered into in the ordinary course of business) that are considered material to its results, financial condition or operations.
14. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates 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 the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

PRINCIPAL OFFICES OF THE ISSUER

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

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland)
Australia Branch
Darling Park Tower 3
Level 16, 201 Sussex Street
Sydney NSW 2000
Australia

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland)
Singapore Branch
77 Robinson Road #08-00
SIA Building,
Singapore 068896

INDEPENDENT AUDITOR

To Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland)

Ernst & Young Accountants LLP
Euclideslaan 1
3584 BL Utrecht
The Netherlands

DEALERS

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

BNP Paribas
10 Harewood Avenue
London NW1 6AA
United Kingdom

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

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International)
Thames Court
One Queenhithe
London EC4V 3RL
United Kingdom

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

Daiwa Capital Markets Europe Limited
5 King William Street
London EC4N 7AX
United Kingdom

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

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

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

Merrill Lynch International
2 King Edward Street
London EC1A 1HQ
United Kingdom

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

Morgan Stanley & Co. International plc
25 Cabot Square
Canary Wharf
London E14 4QA
United Kingdom

Nomura International plc
1 Angel Lane
London EC4R 3AB
United Kingdom

RBC Europe Limited
Riverbank House
2 Swan Lane
London EC4R 3BF
United Kingdom

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

The Toronto-Dominion Bank
60 Threadneedle Street
London EC2R 8AP
United Kingdom

UBS Limited
1 Finsbury Avenue
London EC2M 2PP
United Kingdom

ARRANGER

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

FISCAL AGENT, PAYING AGENT AND CALCULATION AGENT

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

PAYING AGENT, TRANSFER AGENT, EXCHANGE AGENT AND REGISTRAR

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

PAYING AGENTS

Deutsche Bank AG, Paris Branch
Securities & Custody Operations
Floor 1, 3 Avenue de Friedland
75008 Paris
France

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

REGISTRAR, TRANSFER AGENT AND EXCHANGE AGENT

Deutsche Bank Trust Company Americas
60 Wall Street
27th Floor — MS NYC60-2710
New York, New York 10005
United States

LUXEMBOURG STOCK EXCHANGE LISTING AGENT

Deutsche Bank Luxembourg S.A.
Corporate Trust and Agency Services
2 Boulevard Konrad Adenauer
L-1115 Luxembourg
Luxembourg

EURONEXT AMSTERDAM LISTING AGENT

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

LEGAL ADVISERS

To Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) Australia Branch
in respect of Australian law
Ashurst Australia
Grosvenor Place
Level 36, 225 George Street
Sydney NSW 2000
Australia

To Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland) Singapore Branch
in respect of Singapore law
Allen & Gledhill LLP
One Marina Boulevard 28-00
Singapore 018989

To the Dealers

in respect of Dutch law
Linklaters LLP
WTC Amsterdam
Zuidplein 180
1077 XV Amsterdam
The Netherlands

in respect of United States law
Linklaters LLP
One Silk Street
London EC2Y 8HQ
United Kingdom

imprima — C106224