

GENERAL TERMS AND CONDITIONS OF DE NEDERLANDSCHE BANK NV

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This translation has been prepared for the convenience of DNB's foreign customers. It is stressed that the official text of the General Terms and Conditions is contained in the Dutch *Algemene Voorwaarden*. In the event of interpretation differences between the Dutch and the English text, the Dutch text shall prevail.

SECTION I                      GENERAL PROVISIONS

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The most recent version of these General Terms and Conditions is published on the website of De Nederlandsche Bank (<https://www.dnb.nl/en/about-us/organisation/organisational-structure/>).

**SECTION I - GENERAL PROVISIONS****Clause 1 – Scope of Application**

1. These General Terms and Conditions are applicable to all existing and future legal relationships between DNB and the Counterparty, insofar as not otherwise indicated in writing in special agreements and/or in special terms and conditions.
2. General Terms and Conditions that are used by the Counterparty or to which the Counterparty refers in any manner are not applicable in the legal relationship between DNB and the Counterparty unless DNB has so agreed in writing.

**Clause 2 – Definitions**

For the purposes of these General Terms and Conditions, the following terms shall have the meanings assigned to them.

- **Aggregate Collective Stock Deposit:** An aggregate collective stock deposit as referred to in the Wge (Dutch Securities Giro Act).
- **Assets:** Certificates of value and other goods.
- **Bank:**
  - (a) A bank as referred to in Article 1:1 of the Wet op het financieel toezicht (Financial Supervision Act) that is subject to supervision by a competent authority; or
  - (b) a Bank within the meaning of Article 123 (2) of the Treaty that is subject to scrutiny of a standard comparable to supervision by a competent authority.
- **Bilateral Operations:** Operations executed by the Eurosystem on a bilateral basis – without involving Tender procedures as defined in article 2 section 4 of the Guideline.
- **Business Day:**
  - (a) With respect to payment obligations: any day on which TARGET-NL is operational, as set forth in the Conditions for TARGET-NL.
  - (b) With respect to obligations to deliver securities on a non-free-delivery basis: any day on which both TARGET-NL, as set forth in the Conditions for TARGET-NL, and the securities settlement system of the NECIGEF is operational.
  - (c) With respect to obligations to deliver securities on a free-delivery basis: any day on which the securities settlement system of the NECIGEF is operational.
  - (d) With respect to DNB's activities not relating to payment obligations or to obligations to deliver securities: any day on which DNB is open for such activities.

- **Clause:** A clause in these General Terms and Conditions.
- **Conditions for Dispatches of Banknotes:** The conditions of DNB governing the dispatch of banknotes by and to DNB.
- **Conditions for Dispatches of Coins:** The conditions of DNB governing the dispatch of coins by and to DNB.
- **Conditions for TARGET-NL:** Documentation produced by DNB, containing rules, procedures, methods, timelines and operating rules relating to TARGET-NL, as this documentation reads now or will read at any time in the future.
- **Counterparty/Counterparties:** The counterparty/counterparties of DNB that:
  - a) have been admitted to Monetary Policy Transactions, or;
  - b) maintain an account in TARGET-NL with DNB, or;
  - c) maintain an account in DNB Payment Hub, or;
  - d) maintain a legal relationship with DNB that is explicitly governed by these General Terms and Conditions.
- **Deposit Facility:** a Eurosystem standing facility, as defined in article 2 section 21 of the Guideline, which Counterparties may use to make overnight deposits with DNB at the pre-specified Deposit Facility Rate.
- **Deposit Facility Rate:** the interest rate applicable to the Deposit Facility, which may be:
  - (a) at a positive interest rate; (b) at an interest rate of zero per cent; or (c) at a negative interest rate. A negative interest rate entails a payment obligation of the Counterparty to DNB.
- **DNB:** De Nederlandsche Bank N.V.
- **Dutch Civil Code:** The Dutch Civil Code.
- **ECB:** The European Central Bank.
- **Eligible Assets:** Eligible assets as defined in article 2 section 25 of the Guideline.

- **ESCB:** The European System of Central Banks, consisting of the ECB and the national central banks of the EU Member States.
- **EU:** The European Union.
- **Euro:** The currency unit as defined in Regulation (EC) 974/98 of the Council on the introduction of the euro.
- **Eurosystem:** The NCBs as well as the ECB.
- **Execution Proceeds from Monetary Pool Assets:** The proceeds from the execution of the pledge on the Monetary Pool Assets.
- **Execution Proceeds from Second Pool Assets:** The proceeds from the execution of the pledge on the Second Pool Assets.
- **Executive Board:** The members of DNB's Executive Board and the persons to which the management of DNB may be assigned pursuant to Article 8 of DNB's Articles of Association
- **General Terms and Conditions:** These general terms and conditions.
- **Governing Council of the ECB:** The Governing Council as meant in Article 129 of the Treaty.
- **Guideline:** Guideline (EU) 2015/510 of the European Central of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60) (recast).
- **Intraday Credit:** Credit extended for a period of less than one Business Day as defined in article 2 section 46 of the Guideline.
- **Intraday Receivables:** All receivables arising from or relating to Intraday Credit that are payable by the Counterparty to DNB, including receivables relating to associated costs, interest or penalties.
- **Marginal Lending Facility:** A Eurosystem standing facility which Counterparties may use to receive overnight credit from a Eurosystem NCB against a pre-specified interest rate as defined in article 2 section 56 of the Guideline.
- **Monetary Policy Transactions:** A transaction entered into by a NCB for the implementation of monetary policy of the Eurosystem as defined in article 2 section 32 of the Guideline.

- **Monetary Policy Transactions Conditions:** The document of DNB, setting out the procedural requirements, methods, timelines and operating rules for the implementation of the monetary policy instruments of the Eurosystem, as this document is currently named or will be named at any time in the future.
- **Monetary Pool Assets:** Assets administered by DNB on an account in the Counterparty's name under the heading of "Monetary Pool".
- **Monetary Receivables:** All receivables arising from or relating to Monetary Policy Transactions that are payable to DNB by the Counterparty.
- **NCB:** A national central bank of an EU Member State which has adopted the euro in accordance with the Treaty.
- **NECIGEF:** The Dutch Central Securities Giro Institute (Euroclear Nederland).
- **Other Receivables:** All receivables, excluding Monetary Receivables or Intraday Receivables, that are payable to DNB by the Counterparty, including receivables relating to any associated costs, interest or penalty interest.
- **Quick Tender Procedure:** A Tender procedure to be used by the Eurosystem for the execution of monetary policy as defined in article 2 section 76 of the Guideline.
- **Pledged Assets:** The Assets mentioned in Clause 11(1)(a) to (e).
- **Repurchase Agreement or Repo Operation:** An arrangement whereby Eligible Assets are sold while the seller simultaneously obtains the right and obligation to repurchase these Eligible Assets, or an arrangement whereby Eligible Assets are bought while the purchaser simultaneously obtains the right and obligation to resell these Eligible Assets.
- **Reserve Requirement:** The requirement for institutions as referred to in Clause 19, section 1, of the ESCB Statute to hold minimum reserves.
- **Second Pool Assets:** All Assets not belonging to the Monetary Pool.

- **Section:** A section in these General Terms and Conditions.
- **Standard Tender Procedure:** A Tender procedure to be used by the Eurosystem for the execution of monetary policy as defined in article 2 section 86 of the Guideline.
- **TARGET:** The entirety resulting from all TARGET component systems.
- **TARGET-NL:** The TARGET Component System of DNB.
- **Tender Procedure:** Either a Standard Tender Procedure or a Quick Tender Procedure as defined in article 2 section 92 of the Guideline.
- **Treaty:** The Treaty on the functioning of the European Union.
- **Underlying Assets:** Eligible Assets serving as collateral or Assets which are the object of a Repurchase Agreement, in connection with the extension of credit by DNB.
- **Wge:** Wet giraal effectenverkeer (Dutch Securities Giro Act).

**Clause 3 – Written evidence of an agreement; accounts**

1. The Counterparty shall provide evidence of the existence of an agreement with DNB in writing only.
2. A Counterparty shall not have more than one account with DNB, unless otherwise agreed in writing.

**Clause 4 – Power to act**

1. The Counterparty shall have the right to authorise a third party to act on its behalf in dealings with DNB.
2. This person or these persons shall not authorise others to act on behalf of the Counterparty unless so agreed in writing between the Counterparty and DNB. The scope of the authorisation shall be laid down either in writing on a form made available for this purpose by DNB or in another manner as agreed between the Counterparty and DNB.
3. The Counterparty shall notify DNB forthwith in writing of any change in the authorisation of any of its representatives as well as the revocation or cancellation thereof.
4. Any changes in or termination of the authorisation of a representative of the Counterparty shall not be effective in dealings with DNB, even if such a change has been entered in public registers, until after DNB has been notified thereof in writing. DNB is permitted to execute or continue executing in a legally valid manner any instructions given to it by a representative before or shortly after DNB has received said notification of the change or termination if it cannot, within reason, prevent the execution of said instructions.
5. The General Terms and Conditions and all other provisions, rules and restrictions applicable between the Counterparty and DNB shall apply mutatis mutandis to the representative in connection with the exercise of his power to act or power of attorney. The Counterparty shall be responsible for ensuring that its representative adheres to said provisions, rules and restrictions and shall ensure that the Counterparty and its representative keep each other fully informed of everything that is or may be relevant to them as a Counterparty and a representative.

**Clause 5 – Notifications**

Notifications to DNB shall be made exclusively in writing or by some other means of communication agreed between DNB and the Counterparty. The Counterparty can invoke a notification to DNB only after DNB has been able to take note thereof.

**Clause 6 – Data carriers and means of communication**

1. The Counterparty shall ensure that DNB obtains in good time all data which, as indicated by DNB or as the Counterparty can reasonably be assumed to understand, is necessary to enable DNB to comply with its statutory and contractual obligations or to provide its services duly and properly.

2. The Counterparty shall make its announcements to DNB using forms, data carriers and means of communication prescribed or approved by DNB. The Counterparty shall keep and handle the forms, data carriers and means of communication made available to it by DNB, including computer hardware and software with due care.
3. If the Counterparty discovers any irregularity, such as loss, theft or misappropriation, with regard to the forms, data carriers or means of communication referred to in Section 2 of this Clause, it shall notify DNB thereof forthwith. Until such time as DNB receives such notification, the consequences of the use of these forms, data carriers or means of communication shall be for account and risk of the Counterparty, unless the Counterparty can show that culpable negligence has occurred on the part of DNB. Any notification regarding any irregularity shall be confirmed by the Counterparty in writing to DNB. The receipt of such notification shall be acknowledged in writing by DNB.
4. Upon termination of the legal relationship with DNB, the Counterparty shall forthwith return to DNB all data carriers, means of communication and unused forms as referred to in Section 2 of this Clause.
5. The Counterparty shall ensure that instructions, statements and notifications given to DNB are clear, complete and correct. In this connection the Counterparty shall act in conformity with the rules and instructions of DNB.
6. Any data carriers or means of communication approved by DNB shall be used by the Counterparty in conformity with the instructions given by DNB.
7. DNB shall have the right to refuse or suspend the execution of a Counterparty's instructions if the Counterparty has not given these instructions in the correct manner.
8. The Counterparty that uses hardware and software made available by DNB shall be liable for the infringement or abuse of the rights vested therein and for any resulting losses insofar as it has used such hardware and software in a manner other than that prescribed by DNB.

#### **Clause 7 – Services of third parties**

1. DNB shall have the right:
  - (a) to use the services of third parties in the performance of agreements with the Counterparty; and
  - (b) to deposit Assets of the Counterparty in the custody or safekeeping of third parties in DNB's name;
2. Where Assets have been deposited with third parties – on the basis of the provisions contained in section 1 of this Clause – it shall be sufficient for DNB, at any time, to instruct said third parties to, directly or indirectly, place the Assets concerned at the disposal of the Counterparty and to transfer DNB's rights in respect thereof to the Counterparty in order to discharge itself of any associated liability.



**Clause 8 – Liability**

1. DNB, its Executive Board and Supervisory Board and its employees shall not be liable for any losses caused by a failure to meet DNB's obligations or any other actions or omissions, unless the Counterparty demonstrates that said losses were substantially attributable to wilful intent or gross negligence on the part of DNB or the person in question. DNB shall not be liable for any consequential losses.
2. DNB shall not be liable for the non-performance on the part of third parties as referred to in Clause 7 unless the Counterparty can establish a prima facie case that DNB has failed to exercise due care in the selection of such third parties.
3. To the extent that this is not implicit in Sections 1 or 2 of this Clause, DNB shall not be liable if it can establish a prima facie case that a shortcoming as referred to above is a consequence of natural disasters, international conflicts, violent or armed actions, measures taken by any authority, including decisions of bodies of international organisations and instructions or orders issued by the ECB, industrial action among the personnel of DNB or of third parties whose services are used by DNB, boycotts, power failures or breakdowns in communications or in equipment of DNB or of third parties whose services are used by DNB. In the event that a circumstance as referred to in this Section arises, DNB shall have the right to take any measures which it may deem necessary, including the right to suspend its operations. In the event that a circumstance as referred to here arises, DNB shall – in order to limit the resulting adverse effects for the Counterparty – take those measures which it may reasonably be required to take.

**Clause 9 – Collateral for Monetary Pool Assets**

1. The Counterparty hereby undertakes vis-à-vis DNB to pledge its existing and future Monetary Pool Assets to DNB as security for whatever is payable by the Counterparty to DNB at whatever time and on whatever grounds.
2. The pledges referred to in Section 1 serve in the first instance as security for the Monetary Receivables and Intraday Receivables, in the sense that any Execution Proceeds from Monetary Pool Assets will be used in the first instance for the settlement of the Monetary Receivables and Intraday Receivables, while any surplus then remaining from said proceeds will be used for the settlement of the Other Receivables.

**Clause 10 – Collateral for Second Pool Assets**

1. The Counterparty furthermore undertakes vis-à-vis DNB to pledge its existing and future Second Pool Assets as security for whatever is payable by the Counterparty to DNB at whatever time and on whatever grounds.
2. The pledges referred to in Section 1 serve in the first instance as security for the Other Receivables in the sense that any Execution Proceeds from Second Pool Assets will be used in the first instance for the settlement of the Other Receivables, while any surplus remaining

from these proceeds after the settlement thereof will be used for the settlement of the Monetary Receivables and Intraday Receivables.

#### **Clause 11 – Establishment of Pledges**

1. The pledges as referred to in Clauses 9 and 10 are established in respect of the following current and future Assets of the Counterparty;
  - (a) any shares registered in the Counterparty's name held in an Aggregate Collective Stock Deposit by DNB, insofar as the aforementioned shares also qualify as securities as referred to in Section 51, subparagraph (e), Book 7, of the Dutch Civil Code;
  - (b) any shares registered in the Counterparty's name held in a Giro Deposit as referred to in the Wge, insofar as the aforementioned shares also qualify as securities as referred to in Section 51, subparagraph (e), Book 7, of the Dutch Civil Code;
  - (c) money as referred to in Section 51 subparagraph (d), Book 7 of the Dutch Civil Code;
  - (d) claims of the Counterparty on DNB, including claims for delivery of securities or corresponding rights and claims for payment and/or transfer of money, insofar as these latter claims do not qualify as money in the sense of Section 51, Book 7 of the Dutch Civil Code;
  - (e) all other goods, certificates of value and securities which DNB or a third party for DNB has in its possession on the Counterparty's behalf (with the exception of those which DNB holds in safekeeping).
2. The pledge shall be established by the Counterparty, insofar as possible in advance, through the application of the General Terms and Conditions. If the law imposes further requirements in relation to the establishment, whether or not in advance, of a pledge on the Assets mentioned in Section 1, the pledge shall be established, whether or not in advance, as soon as these requirements are satisfied.
3. The pledges referred to under b of Section 1 of this Clause shall be established the moment the shares concerned are entered in the name of DNB in the appropriate section of the records of NECIGEF.
4. The pledge as referred to in 1(d) is deemed to have been reported to DNB as referred to in Section 246 (1), Book 3 of the Dutch Civil Code. Without prejudice to the conditions governing the claims, DNB shall grant the Counterparty permission as referred to in Section 246 (4), Book 3 of the Dutch Civil Code. This permission shall be revocable by DNB at all times and shall be cancelled if any of the circumstances mentioned in Clause 13, section 1, occur.
5. A deed drawn up between DNB and the Counterparty governed by the General Terms and Conditions shall qualify as a deed aimed at establishing a pledge by the Counterparty for the benefit of DNB.
6. At DNB's first request, the Counterparty shall take such action and sign such documents as DNB will deem necessary for or amenable to the establishment, the protection, the

- maintenance or the enforcement (including executory sale) of the pledges meant in section 1 above of this Clause.
7. At DNB's first request, the Counterparty shall lend full cooperation in order to establish a pledge equivalent to the pledge referred to in section 1 of this Clause in accordance with a foreign jurisdiction to be designated thereto by DNB.
  8. The Counterparty hereby grants irrevocable power of attorney to DNB, with power of substitution, to accomplish the establishment of the pledges referred to in this Clause on behalf of the Counterparty whenever DNB sees fit.
  9. The Counterparty shall, at DNB's first written request, immediately provide sufficient security for the performance of its existing and future obligations to DNB.
  10. The Counterparty shall not be authorised to encumber and/or alienate the Pledged Assets, other than as referred to in this Clause. The Counterparty warrants that it is authorised to encumber the Pledged Assets and that the Pledged Assets are not encumbered by any rights and entitlements of any party other than DNB.
  11. DNB shall be authorised to entirely or partly cancel the security mentioned in this Article.

#### **Clause 12 – Exercise of powers relating to collateral**

1. DNB shall have the right to use or sell the Assets on which a pledge in the context of a financial collateral agreement establishing a right of pledge has been established and to keep the proceeds as referred to in Section 53(1), Book 7 of the Dutch Civil Code and, moreover, insofar as the said Assets consist of securities as referred to in Section 51 (e), Book 7 of the Dutch Civil Code, to appropriate those securities as referred to in Section 54(3), Book 7 of the Dutch Civil Code.
2. DNB shall have the right to set off a claim in warranty whereof a right of pledge in the context of a financial collateral agreement establishing a right of pledge has been established against the value of equivalent goods as referred to in Section 53(4), Book 7 of the Dutch Civil Code if the Counterparty fails to meet its obligations to DNB.
3. DNB shall not be bound to effect notification to the Counterparty as referred to in Section 249(1) or in Section 252, Book 3 of the Dutch Civil Code. Having exercised its right of pledge, DNB shall within a reasonable period send the Counterparty written notification thereof.
4. The Counterparty waives its right as referred to in Section 251(1), Book 3 and Section 54, (2 and 3), Book 7 of the Dutch Civil Code, to request that the sale be conducted on different conditions.
5. DNB shall be authorised, with the exclusion of the Counterparty, to exercise the voting rights belonging to Pledged Assets if (i) the Counterparty fails to meet its obligations to DNB and (ii) DNB has notified the Counterparty in writing that it shall invoke this right. DNB shall not be obliged to avail itself of this power. It shall be entitled to exercise its voting rights at its own discretion and for the benefit of its own interests as the pledgee.

**Clause 13 – Scope of a pledge on Underlying Assets**

Unless otherwise agreed, a pledge on Assets in favour of DNB shall extend not only to the Assets concerned but also to interest, dividends and any other income thereon.

**Clause 14 – Default and demandability**

1. Without prejudice to what arises from the law or agreement in this connection, the Counterparty shall be in default due to the mere fact and from the moment that any of the following events or circumstances has occurred:
  - (a) a decision is made by a competent judicial or other authority to implement, in relation to the Counterparty, a procedure for the winding-up of the Counterparty or the appointment of a liquidator or analogous officer over the Counterparty, or any other analogous procedure. For the purposes of this point (a), the mere taking of crisis prevention measures or crisis management measures within the meaning of Directive 2014/59/EU against the Counterparty shall not qualify as an event of default for which no notice of default is required.
  - (b) the Counterparty becomes subject to freezing of funds and/or other measures, including restrictive measures, imposed by the Union under Article 75 or Article 215 or similar relevant provisions of the Treaty restricting the Counterparty's ability to use its funds;
  - (c) the Counterparty is no longer subject to Reserve Requirements of the Eurosystem as required by Article 55, point (a) of the Guideline, and as implemented in the Monetary Policy Transactions Conditions;
  - (d) the Counterparty is no longer subject to harmonised Union/EEA supervision or comparable supervision under Article 55, point (b) of the Guideline, and as implemented in the Monetary Policy Transactions Conditions;
  - (e) the Counterparty becomes a wind-down entity as defined in Article 2, point (99a) of the Guideline.
2. Due to the default referred to in Section 1 of this Clause, DNB's receivables from the Counterparty – including contingent amounts – shall become due and demandable in full as from the time referred to without any need for any notice of default or court intervention and DNB shall be entitled to restrict, suspend or terminate the Counterparty's use of its accounts with DNB.
3. If one or more of the facts or circumstances referred to in Section 1 has occurred, the Counterparty shall immediately notify DNB thereof in writing.

**Clause 15 – Demandability after notice of default**

1. If any of the following facts or circumstances has occurred, the Counterparty will be in default after being notified of said default in writing by DNB and from the moment that the

reasonable term for performance mentioned in the notice of default expires. The maximum term is three Business Days:

- (a) a decision is made by a competent judicial or other authority to implement, in relation to the Counterparty, an intervention measure, other than under Clause 14, Section 1, point (a), restricting its business activities, including a moratorium, or a reorganisation measure or other analogous procedure intended to safeguard or restore the financial situation of the Counterparty and to avoid a decision of the type referred to in Clause 14, Section 1, point (a), being taken;
- (b) the Counterparty no longer fulfils any of DNB's operational requirements referred to in Article 55, point (d) of the Guideline and as implemented in the Monetary Policy Transactions Conditions;
- (c) a declaration is made by the Counterparty in writing of its inability to pay all or any part of its debts or to meet its obligations arising in relation to Monetary Policy Transactions or any other transactions with DNB or with any other NCB, or the Counterparty ceases to pursue its objects under its articles of association or analogous constitutive documents or a declaration is made by the Counterparty of its intention to cease to pursue its objects under its articles of association or analogous constitutive documents, or a voluntary general agreement or arrangement is entered into by the Counterparty with its creditors, or if the Counterparty is, or is deemed to be, insolvent or is deemed to be unable to pay its debts;
- (d) procedural steps are taken preliminary to a decision being made under Clause 14, Section 1, point (a) or points (a) or (f), of this Section, including a proposal to withdraw the authorisation to conduct activities under either: (a) Directive 2013/36/EU and Regulation (EU) No 575/2013; or (b) Directive 2014/65/EU, as implemented in the relevant Member State whose currency is the euro;
- (e) a temporary administrator or other analogous officer with the powers to restrict the ability of the Counterparty to meet its obligations towards the Eurosystem is appointed;
- (f) a receiver, trustee or analogous officer is appointed over all or any material part of the property of the Counterparty, to the extent applicable;
- (g) an incorrect or untrue representation or other pre-contractual statement is made or implied by the Counterparty under applicable provisions of law in relation to:
  - i. Monetary Policy Transactions or any other transactions with DNB or with any other NCB, or
  - ii. compliance with any laws or regulations to which it may be subject, which may threaten the performance by the Counterparty of its obligations under the arrangement it entered into for the purpose of effecting Eurosystem Monetary Policy Transactions
- (h) the Counterparty's authorisation to conduct activities under Directive 2014/65/EU, as

implemented in the relevant Member State whose currency is the euro, is suspended or revoked;

- (i) the Counterparty is suspended from or has its participation terminated in any payment system through which payments under Monetary Policy Transactions are made or (except for foreign exchange swap transactions) is suspended from or has its participation terminated in any securities settlement systems used for the settlement of Eurosystem Monetary Policy Transactions;
- (j) measures such as those referred to in Articles 41(1) and 43(1) and Article 44 of Directive 2013/36/EU are taken against the Counterparty;
- (k) in relation to Repo Operations, the Counterparty fails to comply with provisions concerning risk control measures;
- (l) in relation to Repo Operations, the Counterparty fails to pay the purchase price or the repurchase price or fails to deliver purchased or repurchased assets; or in relation to collateralised loans, the Counterparty fails to deliver assets or reimburse the credit on the applicable dates for such payments and deliveries;
- (m) in relation to foreign exchange swaps for monetary policy purposes and fixed-term deposits, the Counterparty fails to pay the euro amount; or in relation to foreign exchange swaps for monetary policy purposes, the Counterparty fails to pay foreign currency amounts on the applicable dates for such payments;
- (n) an event of default, not materially different from those defined in this Clause, occurs in relation to the Counterparty under an agreement concluded for the purposes of the management of the foreign reserves or own funds of the ECB or any NCBs;
- (o) the Counterparty fails to provide relevant information, thus causing severe consequences for DNB;
- (p) the Counterparty fails to perform any other of its obligations under arrangements for Repo Operations and foreign exchange swap transactions and, if capable of remedy, does not remedy such failure within a maximum of 30 days in the case of collateralised transactions and a maximum of 10 days for foreign exchange swap transactions after notice is given by DNB requiring it to do so;
- (q) an event of default occurs in relation to the Counterparty, including its branches, under any agreement or transaction with the Eurosystem entered into for the purpose of effecting Eurosystem Monetary Policy Transactions
- (r) the Counterparty becomes subject to the freezing of funds and/or other measures imposed by a Member State whose currency is the euro restricting the Counterparty's ability to use its funds;
- (s) all or a substantial part of the Counterparty's assets are subjected to a freezing order, attachment, seizure or any other procedure that is intended to protect the public interest or the rights of the Counterparty's creditors;
- (t) all or a substantial part of the Counterparty's assets are assigned to another entity or

- all or a substantial part of the operations or business of the Counterparty are sold, dissolved, liquidated or discontinued or any decision to this effect is made; and
- (u) any other impending or existing event which threatens the performance by the Counterparty of its obligations under the arrangements it entered into for the purpose of effecting Eurosystem Monetary Policy Transactions or under any other contractual and/or statutory rules applying to the relationship between the Counterparty and the ECB or any of the NCBs; or the Counterparty defaults on, breaches or fails to duly perform any other obligation, agreement or transaction with DNB under the arrangements entered into for the purpose of effecting Monetary Policy Transactions or under any other contractual and/or statutory rules applying to the relationship between the Counterparty and the ECB or any of the NCBs.
2. In the case of the grounds of default referred to in Section 1 of this Clause, the event of default shall be reported by DNB in accordance with the Eurosystem procedures as adopted by the Governing Council.
  3. As a result of this default, DNB's receivables from the Counterparty – including contingent amounts – shall become due and demandable in full without any need for any further notice of default or court intervention and DNB shall be entitled to restrict, suspend or terminate the Counterparty's use of its accounts with DNB.
  4. If one or more of the facts or circumstances referred to in Section 1 of this Clause, under (g) to (j), and (r) to (u), has occurred, the Counterparty shall immediately notify DNB thereof in writing.

#### **Clause 16 – Set-off and repayment**

1. Without prejudice to the other rights which it has, DNB shall have the right at any time to set off any amounts receivable by DNB from the Counterparty, regardless of whether they are due and demandable and whether they are contingent, against any amounts receivable by the Counterparty from DNB, regardless of whether they are due and demandable and whether they are contingent, and irrespective of the currency in which they are denominated. DNB shall notify the Counterparty, if possible in advance, of any use of its right of set-off.
2. Receivables denominated in foreign currency shall be settled at the exchange spot rate prevailing on the day of settlement.

3. In cases where DNB is to receive a consideration in respect of a payment made to the Counterparty and this consideration has not reached DNB properly or on time, the Counterparty shall, at DNB's first request, repay the amount paid by DNB and compensate DNB in respect of lost interest and any direct losses which it has suffered or may suffer.
4. All credit entries shall be subject to the proviso that, if DNB is still to receive a consideration in respect thereof, this shall be received definitively, unconditionally and on time. Failing this, DNB shall have the right to reverse the credit entry with retrospective force and without prior notification by debiting the identical amount. If the Counterparty's Euro account has been credited in respect of securities denominated in foreign currency or in respect of other Assets subject to exchange rates, the credit entry shall be reversed by debiting the amount in euro for which the Counterparty could have acquired such foreign currency or such Assets on the date of reversal of the entry.

**Clause 17 – Right of suspension**

In the event that DNB has an amount receivable from the Counterparty which is due and demandable, DNB – without prejudice to its other rights – shall have the right to suspend the performance of its obligations for whatever reason to the Counterparty until its receivable has been paid in full.

**Clause 18 – Penalty interest**

Without prejudice to the other rights which DNB has, the Counterparty shall, if it is in default with respect to the payment of amounts owed by it to DNB, be liable to pay penalty interest to DNB on those amounts for the duration of such default at a rate equal to the marginal lending rate, plus 2.5 percentage points.

**Clause 19 – Access to the monetary policy instruments – suspension, limitation and exclusion**

1. Without prejudice to the other rights which it has, DNB shall have the right – insofar as this is justified under the prevailing circumstances – to exclude Counterparties from access to all monetary policy instruments, or to suspend or limit such access:
  - (a) on grounds of prudence, and
  - (b) if any of the facts or circumstances referred to in Clause 14, Section 1, or Clause 15, Section 1, occurs.
2. On the grounds of prudence, DNB may also reject Assets, limit the use of Assets or apply supplementary haircuts to Assets submitted as collateral in Eurosystem lending operations by specific Counterparties.



3. Without prejudice to the other rights which it has, DNB shall have the right – insofar as this is justified under the prevailing circumstances – to suspend Counterparties' access to Eurosystem open market operations:
  - (a) in the cases and for the duration as referred to in Title V of the Guideline; and
  - (b) if the Counterparty acts in contravention of the regulations relating to the holding of minimum reserves.
4. In order to ensure the uniform implementation of the measures imposed, the ECB's Governing Council may decide to give DNB a binding instruction on a certain remedy, including suspension or exclusion of Counterparties from access to open market operations or the Eurosystem's standing facilities. In the event of such an instruction, DNB is entitled to impose any measures on the Counterparty that are required to implement the instruction.

#### **Clause 20 – Fines**

1. Without prejudice to the rights which it has to claim damages and demand performance of the obligations of the Counterparty DNB may insofar as this is justified under the prevailing circumstances and without any need for any notice of default or court intervention impose on the Counterparty immediately due and demandable fines if:
  - (a) the Counterparty fails to comply with the rules, as specified in the Monetary Policy Transactions Conditions relating to (i) Tender Procedures, (ii) Bilateral Operations, (iii) the use of Eligible Assets and (iv) end-of-day procedures and access to the Marginal Lending Facility, and
  - (b) the Counterparty, as referred to in Article 10(2), under (a), (c), or (d) of Part II of the Conditions for TARGET-NL to whom Intraday Credit was extended by DNB, fails to reimburse the Intraday credit at the end of the day for whatever reason.
2. The fines mentioned in section 1 of this Article are calculated in accordance with the relevant provisions as laid down in Title V of the Guideline – in the case mentioned under a) of section 1 of this Clause and – in the cases mentioned under b) of section 1 of this Clause – in accordance with the provisions set out in this connection in Article 12(3) of Part II of the Conditions for TARGET-NL.
3. If DNB has the right to impose on a Counterparty more than one fine on account of one and the same act or failure to act – but on account of different regulations – DNB may, at its discretion, opt to impose on that Counterparty only the fine of the highest amount.

#### **Clause 21 – Compensation**

Without prejudice to the other rights which it has, DNB shall – if any of the facts or circumstances referred to in Clause 14, section 1, or Clause 15, Section 1, occurs – have the right

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to compensation in respect of any direct losses which it has suffered or may suffer as a result of those facts and circumstances.

**Clause 22 – Checking of statements; rectification of inaccuracies**

1. The Counterparty shall check the accuracy and completeness of all statements sent or made available to it by DNB, of whatever name or description, immediately after these have been made available. The date on which the statements are sent or made available is the date on which these were sent or made available according to copies, lists of dispatch or other records of DNB.
2. The Counterparty and DNB shall each be under obligation (i) to notify the other forthwith of the discovery of an inaccuracy in a statement produced by DNB and (ii) to cooperate in the rectification of that inaccuracy.
3. Without prejudice to the provisions of Section 1 of this Clause, DNB, on discovering errors in the execution of instructions and other activities, shall have the right at any time, without approval from the Counterparty, to correct such errors and to take any measures to that end which it may deem necessary, including the right to interrupt the execution of its operations.

**Clause 23 – Evidence**

1. If, two months after the date of dispatch of a statement, DNB has not received a written notification regarding any inaccuracy, as referred to in Clause 22, Section 1, the Counterparty shall be deemed to be in agreement with the statement concerned, unless the Counterparty can show that it has not had reasonable opportunity to notify DNB of such inaccuracy since the date of dispatch.
2. An extract from DNB's records shall constitute conclusive evidence as far as the Counterparty is concerned, except where the Counterparty is able to produce contrary evidence.

**Clause 24 – Fees and charges**

DNB shall have the right to charge the Counterparty fees and/or charges in respect of its activities. Fees and/or charges shall be announced by DNB to the Counterparty in advance. The fees and/or charges payable by the Counterparty can be debited by DNB to the account that the Counterparty maintains with DNB without prior notification to the Counterparty.

**Clause 25 – Cancellation/termination**

1. Both the Counterparty and DNB shall have the right to cancel the relationship in writing without notice, provided they state reasons for doing so.

2. After the cancellation of the relationship, the legal relationships between DNB and the Counterparty shall be settled with due regard to the applicable terms. These General Terms and Conditions and the specific conditions governing the individual agreements shall remain in effect during the settlement process.
3. If any of the facts or circumstances referred to in Clause 14, section 1, or Clause 15, Section 1, occurs, DNB shall have the right, as from the time when the Counterparty is first in default, to terminate legal relationships, contracts and transactions with the Counterparty with immediate effect, without notice and, if desired, without stating reasons.

#### **Clause 26 – Amendments/revisions**

1. DNB shall have the right to amend these General Terms and Conditions at any time, and also to revise the Monetary Policy Transactions Manual, the Conditions for TARGET-NL, the Voorwaarden voor Bankbiljettenzendingen van en naar DNB (Conditions for Dispatches of Banknotes), the Voorwaarden Muntgeldzendingen van en naar DNB (Conditions for Dispatches of Coins), DNB's other procedures, methods, timelines and operating rules as well as its scale of charges.
2. DNB shall notify the Counterparty of any such amendments/revisions before they come into operation, either in writing or by some other means which in DNB's opinion is appropriate.
3. The Counterparty shall – on expiry of 14 calendar days after the notification referred to in section 2 has been given – be deemed to have received the changes and to have taken cognisance of them.

#### **Clause 27 – Departures**

The Counterparty shall not rely on any departures from these General Terms and Conditions unless such departures have been confirmed in writing by DNB.

#### **Clause 28 – Prohibition on transfer and pledging of rights and/or obligations**

Without DNB's prior written consent, the rights and/or obligations of the Counterparty towards DNB of any nature whatsoever are non-transferable to third parties, and claims against DNB cannot be subject to encumbrance with (limited) rights for the benefit of third parties.

#### **Clause 29 – Disputes**

1. Any disputes between the Counterparty and DNB shall be referred to the competent court at Amsterdam.
2. If DNB is the plaintiff and the Counterparty is established outside the Netherlands, DNB shall have the right, notwithstanding the provisions of Section 1 of this Clause, to bring a

dispute before the court outside the Netherlands whose jurisdiction extends to the Counterparty instead of before the competent court at Amsterdam.

**Clause 30 – Applicable law**

The relationship between DNB and the Counterparty shall be governed by Netherlands law.

**Clause 31 – Postal address**

1. The address for a written notification to DNB is as follows:

De Nederlandsche Bank NV

P.O. Box 98

NL-1000 AB Amsterdam

Please also mention the relevant department

2. The Counterparty shall notify DNB in writing of the address to which documents, statements or written notifications intended for the Counterparty shall be sent. Any change of address shall be notified in writing by the Counterparty, failing which, DNB shall have the right to send such documents, statements or written notifications to the most recent postal address of which it has been notified in writing.

**Clause 32 – Entry into operation**

These General Terms and Conditions shall enter into force on 6 May 2024.

**Clause 33 – Publication**

1. These General Terms and Conditions are published on the website of De Nederlandsche Bank ([www.dnb.nl](http://www.dnb.nl))

2. The Monetary Policy Transactions Manual and the Conditions for TARGET-NL shall be made available to Counterparties by DNB through publication on DNB's website ([www.dnb.nl](http://www.dnb.nl)). Clause 26 applies to amendments of these documents.

**SECTION II - ACCOUNTS****Clause 34– Deposits and withdrawals, transfers and collections, automatic transfer facility**

## 1. Deposits and withdrawals

- (a) Deposits and withdrawals of banknotes are – as far as account holders are concerned which concluded with DNB the agreement mentioned hereafter, and the carrier(s) of valuables engaged by them – subject to the provisions of the Chartale Distributie Overeenkomst (Banknotes and Coins Distribution Agreement) and – as far as other account holders and the carrier(s) of valuables engaged by them, are concerned – subject to the provisions of the Voorwaarden voor Bankbiljettenzendingen van en naar DNB (Conditions for Dispatches of Banknotes to and from DNB), as in force currently or at any time in the future.
- (b) Deposits and withdrawals of coins by coin handlers and the carrier(s) of valuables engaged by them, are subject to the provisions of the Voorwaarden voor Muntgeldzendingen van en naar DNB (Conditions for Dispatches of Coins to and from DNB), as in force currently or at any time in the future.
- (c) As a deviation from the provisions under (a) and (b) and subject to proper proof of identity being presented, (i) deposits can be made during business hours at the counter in Netherlands legal tender or with coupons, bills of exchange or cheques, and (ii) instructions for withdrawal can be executed during business hours at the counter.
- (d) When being presented for payment, a cheque shall, even if it is payable to bearer, be signed on the back by the person presenting it for payment.

## 2. Transfers and collections

- (a) Instructions for transfers may be presented for execution at, or sent for execution to DNB using transfer forms bearing the name of the Counterparty, provided that the signatures of those entitled to authorise debits to the account have been deposited at DNB.
- (b) Subject to conditions to be set by DNB and with DNB's prior written approval, the Counterparty may also give instructions using data carriers or means of communication approved by DNB. Such instructions shall be accepted and executed as issued to DNB, according to the evidence of DNB's records.
- (c) At the Counterparty's request, DNB shall collect coupons, bills of exchange and cheques presented to it, accompanied by an itemisation thereof on a form. For such collection, DNB shall have the right to use the services of third parties.
- (d) DNB shall ensure timely protest of bills of exchange or cheques received for collection and payable at DNB in Amsterdam. It shall not, however, be held liable

for failure to ensure timely protest of bills of exchange or cheques which are payable at other places.

**Clause 35 – Statements of account**

Each Business Day on which one or more entries have been made in the account, DNB will send to the Counterparty a numbered statement of account showing the entries made as well as the closing balance of the previous statement of account and the balance remaining after the entries.

**Clause 36 – Interest on credit balances**

Unless otherwise agreed or different arrangements are applicable, any Current account credit balances shall be remunerated at zero per cent or the Deposit Facility Rate, whichever is lower.

**Clause 37 – Value dating**

1. Deposits made at the counter during business hours shall be given an effective date for the calculation of interest equal to the date of deposit.
2. In the case of transfers, debits and credits shall be given an effective date for the calculation of interest equal to the date of execution of the instruction. Transfers shall not be given an effective date which precedes the date of receipt of the transfer instruction.
3. Transfers shall not be given an effective date for the calculation of interest which precedes the date on which the accounts concerned were opened.
4. Withdrawals at the counter shall be given an effective date for the calculation of interest equal to the date of withdrawal.

**Clause 38 – Settlement of interest, fees and costs**

1. At dates to be fixed by DNB, and on closure of the account, the account shall be debited or credited with the interest owed by the Counterparty or by DNB, respectively, and shall be debited with fees and costs.
2. When an account is no longer permitted to be overdrawn, owing to withdrawal of Underlying Assets, it shall, at the time of such withdrawal, be debited with the amount of interest due, together with fees and costs.
3. Overdrafts, or debit balances in excess of the credit limit, caused by interest, fees and costs charged by DNB shall be eliminated forthwith.

**SECTION III – CUSTODY****Clause 39 – Objects of custody**

Eligible for custody by DNB are negotiable instruments, including securities. DNB has power to refuse to accept negotiable instruments presented for custody provided it gives reasons for doing so.

**Clause 40 – Term**

Custody shall take place up to and including the thirty-first day of December of the year in which the custody account is opened and subsequently for periods of one calendar year each, subject to tacit renewal for the same period until the termination of the custody.

**Clause 41 – Presentation for, and withdrawal from, custody**

1. Physical negotiable instruments can be presented to DNB for custody.
2. Presentation of securities included in a collective depository for, and their withdrawal from, custody shall be effected by transfer to and from, respectively, a securities account held by DNB.
3. Presentation of securities for, and their withdrawal from, custody abroad shall be effected at the institutions referred to in Clause 45.
4. If so requested by DNB, the negotiable instruments presented for custody shall be specified adequately and in writing.

**Clause 42 – Recording of identifying numbers of negotiable instruments**

On request of the Counterparty, DNB records the identifying numbers of negotiable instruments to the extent that such identifying numbers have been notified to DNB.

**Clause 43 – Services of DNB**

1. With regard to the negotiable instruments held in custody, DNB shall:
  - (a) collect interest, dividends and any other income, and transfer the amounts concerned in the manner as agreed;
  - (b) give notice of calls for redemption, conversion and exchange, as well as of entitlements to subscription rights, stock dividends or bonus shares;
  - (c) perform the activities ensuing from (b);
  - (d) perform all acts required in connection with transferability by delivery.

Giving notice of calls for redemption and entitlements as referred to under (b) shall be effected on the basis of lists of drawn securities, lists of unclaimed drawn securities and other publications appearing after the date of presentations for custody of the negotiable instruments concerned. Where securities are concerned which are included in a collective

depository – to the extent that they are subject to drawing – each individual Counterparty shall be assigned, upon each drawing, an amount of drawn securities corresponding to his entitlement to a collective depository.

2. Of each change in a custody account, DNB shall send the Counterparty a statement of changes.
3. At the beginning of each calendar year, DNB shall provide a statement specifying the negotiable instruments held in custody as at 31 December of the preceding year.

#### **Clause 44 – Trades**

1. At the written request of the Counterparty, DNB shall place trades to buy or sell negotiable instruments for or from the custody account. Such trades shall be executed through the intermediary of a banking institution or a stockbroker selected by DNB at its discretion.
2. DNB shall regard orders as open orders up to and including the end of the month following the date of placement of the order, after which the order shall expire. If the Counterparty has specified a limit and the negotiable instruments concerned are traded ex-dividend, ex-stock dividend, ex-bonus shares or ex-subscription rights, DNB has power, with due observance of the provisions of the first sentence of this Section, to reduce the limit by the dividend, or by the value of the stock dividend, the bonus shares or the subscription rights, respectively, in conformity with the price quoted on the stock exchange where the negotiable instruments concerned are quoted on the first day of their being traded.

#### **Clause 45 – Custody abroad**

At the written request of the Counterparty, DNB may arrange for custody of negotiable instruments abroad. DNB shall deposit the negotiable instruments for sub-custody in its name with institutions abroad selected at its discretion, and reserves the right to take part in foreign book-entry securities trading systems. In addition to its custody fee, DNB shall charge to the Counterparty the costs which it owes to third parties in respect of the sub-custody.

#### **Clause 46 – Withdrawal from custody**

1. For the withdrawal of negotiable instruments from custody, the Counterparty shall present a written request. Physical negotiable instruments shall be returned against a written discharge.
2. Where physical negotiable instruments are concerned, DNB shall, after receipt of the request for withdrawal, no longer be bound to perform the services referred to in Clause 43 with regard to the negotiable instruments requested to be withdrawn.
3. DNB has power at any time to terminate custody of certain negotiable instruments provided it gives reasons for doing so.



**Clause 47 – Custody fee**

At dates to be fixed by DNB, DNB charges to the Counterparty a custody fee in accordance with a schedule fixed by DNB.