

Information Memorandum



A\$1,000,000,000 **Australian and New Zealand Note Issuance Programme**

Issuer

Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.

(incorporated under the laws of the Netherlands with limited liability and having its statutory domicile in The Hague)

*The Issuer is neither a bank nor an authorised deposit-taking institution which is authorised under the Banking Act 1959 of Australia (“**Australian Banking Act**”). The Issuer is not a registered bank under the Reserve Bank of New Zealand Act 1989 of New Zealand (“**NZ Reserve Bank Act**”) or otherwise regulated or supervised by the Reserve Bank of New Zealand. The Notes are not obligations of the Australian Government or the New Zealand Government and, in particular, are not guaranteed by the Commonwealth of Australia nor Her Majesty the Queen in right of New Zealand.*

Dealer

Daiwa Capital Markets Europe Limited

The date of this Information Memorandum is 26 April 2016

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Important Notice

This Information Memorandum replaces in its entirety the Information Memorandum dated 7 April 2011.

Introduction

This Information Memorandum relates to a debt issuance programme (“**Programme**”) established by Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (“**Issuer**”) under which medium term notes and other debt instruments (collectively referred to as “**Notes**”) may be issued from time to time up to the Programme Amount (as defined in the section entitled “Summary of the Programme” below).

Terms used in this Information Memorandum but not otherwise defined have the meaning given to them in the Conditions (as defined below).

The Issuer is neither a bank nor an authorised deposit-taking institution which is authorised under the Australian Banking Act. The Issuer is not a registered bank under the NZ Reserve Bank Act or otherwise regulated or supervised by the Reserve Bank of New Zealand. The Notes are not obligations of either the Australian Government or the New Zealand Government and, in particular, are not guaranteed by the Commonwealth of Australia nor Her Majesty the Queen in right of New Zealand.

Issuer’s responsibility

This Information Memorandum has been prepared and issued by the Issuer. The Issuer accepts responsibility for the information contained in this Information Memorandum other than information provided by the Dealers and the Agents (each as defined in the section entitled “Summary of the Programme” below) in relation to their respective descriptions (if applicable) in the sections entitled “Summary of the Programme” and “Directory” below.

Place of issuance

Subject to applicable laws and directives, the Issuer may issue Notes under the Programme in any country including Australia, New Zealand and countries in Europe and Asia but not in the United States of America unless an exemption from the registration requirements of the United States Securities Act of 1933 (as amended) (“**US Securities Act**”) is available.

Terms and conditions of issue

Notes will be issued in series (each a “**Series**”). Each Series may comprise one or more tranches (each a “**Tranche**”) having one or more issue dates and on conditions that are otherwise identical (other than, to the extent relevant, in respect of the issue price and the first payment of interest).

Each issue of Notes will be made pursuant to such documentation as the Issuer may determine. A pricing supplement and/or another supplement to this Information Memorandum (each a “**Pricing Supplement**”) will be issued for each Tranche or Series of Notes. A Pricing Supplement will contain details of the initial aggregate principal amount, issue price, issue date, maturity date, details of interest (if any) payable together with any other terms and conditions not set out in this Information Memorandum that may be applicable to that Tranche or Series of Notes. The terms and conditions (“**Conditions**”) applicable to the Notes are included in this Information Memorandum and may be supplemented, amended, modified or replaced by the Pricing Supplement applicable to those Notes.

The Issuer may also publish a supplement to this Information Memorandum (or additional information memoranda) which describes the issue of Notes (or particular classes of Notes) not otherwise described in this Information Memorandum. A Pricing Supplement may also supplement, amend, modify or replace any statement or information set out in this Information Memorandum.

Documents incorporated by reference

This Information Memorandum is to be read in conjunction with all documents which are deemed to be incorporated into it by reference as set out below. This Information Memorandum shall, unless otherwise expressly stated, be read and construed on the basis that such documents are so incorporated and form part of this Information Memorandum. References to “**Information Memorandum**” are to this Information Memorandum and any other document incorporated by reference and to any of them individually.

The following documents are incorporated in, and taken to form part of, this Information Memorandum:

- all amendments and supplements to this Information Memorandum prepared by the Issuer from time to time and all documents stated herein or therein to be incorporated in this Information Memorandum including each Pricing Supplement;
- the Issuer’s most recently publicly available audited annual financial statements; and
- all other documents issued by the Issuer and stated to be incorporated in this Information Memorandum by reference.

Any statement contained in this Information Memorandum shall be modified or superseded in this Information Memorandum to the extent that a statement contained in any document subsequently incorporated by reference into this Information Memorandum modifies or supersedes such statement (including whether expressly or by implication).

Except as provided above, no other information, including any information on the internet sites of the Issuer or in any document incorporated by reference in any of the documents described above, is incorporated by reference into this Information Memorandum.

Copies of documents which are incorporated by reference in this Information Memorandum may be obtained from the offices of the Issuer on request or from such other person specified in a Pricing Supplement.

Investors should review, amongst other things, the documents which are deemed to be incorporated in this Information Memorandum by reference when deciding whether to purchase any Notes.

References to internet site addresses

Any internet site addresses provided in this Information Memorandum are for reference only and the content of any such internet site is not incorporated by reference into, and does not form part of, this Information Memorandum.

No independent verification

The only role of the Registrar, the Dealers and the Agents in the preparation of this Information Memorandum has been to confirm to the Issuer that their respective descriptions in the sections entitled “Summary of the Programme” and “Directory” below are accurate as at the Preparation Date (as defined below).

Apart from the foregoing, none of the Dealers or the Agents has independently verified the information contained in this Information Memorandum. Accordingly, no representation, warranty or undertaking, express or implied, is made, and no responsibility is accepted, by any of them, as to the accuracy or completeness of this Information Memorandum or any further information supplied by the Issuer in connection with the Programme.

The Dealers and the Agents expressly do not undertake to review the financial condition or affairs of the Issuer or any of its affiliates at any time or to advise any holder of a Note of any information coming to their attention with respect to the Issuer and make no representations as to the ability of the Issuer to comply with its obligations under the Notes.

Intending purchasers to make independent investment decision and obtain tax advice

This Information Memorandum contains only summary information concerning the Issuer, the Programme and the Notes. The information contained in this Information Memorandum is not intended to provide the basis of any credit or other evaluation in respect of the Issuer or any Notes and should not be considered or relied on as a recommendation or a statement of opinion (or a report of either of those things) by any of the Issuer or any Dealer or Agent that any recipient of this Information Memorandum should subscribe for, purchase or otherwise deal in any Notes or any rights in respect of any Notes.

Each investor contemplating subscribing for, purchasing or otherwise dealing in any Notes or any rights in respect of any Notes should:

- make and rely upon (and shall be taken to have made and relied upon) its own independent investigation of the financial condition and affairs of, and its own appraisal of the creditworthiness of, the Issuer;
- determine for themselves the relevance of the information contained in this Information Memorandum, and must base their investment decision solely upon their independent assessment and such investigations as they consider necessary; and
- consult their own tax advisers concerning the application of any tax laws applicable to their particular situation.

No advice is given in respect of the legal or taxation treatment of investors or purchasers in connection with an investment in any Notes or rights in respect of them and each investor is advised to consult its own professional adviser.

No offer

This Information Memorandum does not, and is not intended to, constitute an offer or invitation by or on behalf of the Issuer, the Dealer or the Agents to any person to subscribe for, purchase or otherwise deal in any Notes.

Selling restrictions and no disclosure

Neither this Information Memorandum nor any other disclosure document in relation to the Notes has been, or will be, lodged with the Australian Securities and Investment Commission (“**ASIC**”). No action has been taken which would permit an offering of the Notes in circumstances that would require disclosure under Parts 6D.2 or 7.9 of the Corporations Act 2001 of Australia (“**Corporations Act**”).

This Information Memorandum is not a prospectus, product disclosure statement or other disclosure document for the purposes of the Corporations Act or the Financial Markets Conduct Act 2013 of New Zealand (“**NZ FMCA**”). In particular, no action has been taken by any of the Issuer, the Dealers or the Agents which would permit a public offering of any Notes or distribution of this Information Memorandum in any jurisdiction where action for that purpose is required.

The distribution and use of this Information Memorandum, including any Pricing Supplement, advertisement or other offering material, and the offer or sale of Notes may be restricted by law or directive in certain jurisdictions and intending purchasers and other investors should inform themselves about, them and observe any, such restrictions.

A person may not (directly or indirectly) offer for subscription or purchase or issue an invitation to subscribe for or buy Notes, nor distribute or publish this Information Memorandum or any other offering material or advertisement relating to the Notes except if the offer or invitation complies with all applicable laws and directives.

For a description of certain restrictions on offers, sales and deliveries of the Notes, and on distribution of this Information Memorandum, any Pricing Supplement or other offering material relating to the Notes, see the section entitled “Selling Restrictions” below.

No registration in the United States

The Notes have not been, and will not be, registered under the US Securities Act. The Notes may not be offered, sold, delivered or transferred, at any time, within the United States of America, its territories or possessions or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the US Securities Act (“**Regulation S**”)) except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act.

No authorisation

No person has been authorised to give any information or make any representations not contained in or consistent with this Information Memorandum in connection with the Issuer, the Programme or the issue or sale of the Notes and, if given or made, such information or representation must not be relied on as having been authorised by the Issuer or any Dealer or Agent.

Agency and distribution arrangements

The Issuer has agreed to pay fees to the Registrar and may agree to pay Agents’ fees for undertaking their respective roles and reimburse them for certain of their expenses incurred in connection with the Programme.

The Issuer may also pay a Dealer a fee in respect of the Notes subscribed by it, may agree to reimburse the Dealers for certain expenses incurred in connection with this Programme and may indemnify the Dealers against certain liabilities in connection with the offer and sale of Notes.

The Issuer, the Dealers and the Agents, and their respective related entities, directors, officers and employees may have pecuniary or other interests in the Notes and may also have interests pursuant to other arrangements and may receive fees, brokerage and commissions and may act as a principal in dealing in any Notes.

References to credit ratings

There are references in this Information Memorandum to credit ratings. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant assigning organisation.

Credit ratings are for distribution only to a person (a) who is not a “retail client” within the meaning of section 761G of the Australian Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or 7.9 of the Australian Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Information Memorandum and anyone who receives this Information Memorandum must not distribute it to any person who is not entitled to receive it.

Risks

Neither this Information Memorandum nor any other information supplied in connection with the Programme or the issue of any Notes describes the risks of an investment in any Notes. Prospective investors should consult their own professional, financial, legal and tax advisers about risks associated with an investment in any Notes and the suitability of investing in the Notes in light of their particular circumstances.

Currencies

In this Information Memorandum references to “**AUD**”, “**A\$**” or “**Australian dollars**” are to the lawful currency of the Commonwealth of Australia, reference to “**NZ\$**” or “**New Zealand dollars**” are to the lawful currency of New Zealand and references to “**EUR**”, “**Euro**” or “**€**” are to the single currency introduced at the start of the third stage European economic and monetary union pursuant to the Treaty on the Functioning of the European Union and being the lawful currency of the Netherlands.

Currency of information

The information contained in this Information Memorandum is prepared as of its Preparation Date. Neither the delivery of this Information Memorandum nor any offer, issue or sale made in connection with this Information Memorandum at any time implies that the information contained in it is correct, that any other information supplied in connection with the Programme is correct or that there has not been any change (adverse or otherwise) in the financial conditions or affairs of the Issuer at any time subsequent to the Preparation Date. In particular, the Issuer is not under any obligation to any person to update this Information Memorandum at any time after an issue of Notes.

In this Information Memorandum, "**Preparation Date**" means:

- in relation to this Information Memorandum, the date indicated on its face or, if this Information Memorandum has been amended, or supplemented, the date indicated on the face of that amendment or supplement;
- in relation to any registration document and financial statements incorporated in this Information Memorandum, the date up to, or as at, the date on which such registration document and financial statements relate; and
- in relation to any other item of information which is to be read in conjunction with this Information Memorandum, the date indicated on its face as being its date of release or effectiveness.

Summary of the Programme

The following is a brief summary only and should be read in conjunction with the rest of this Information Memorandum and, in relation to any Notes, the applicable Conditions and any relevant Pricing Supplement. A term used below but not otherwise defined has the meaning given to it in the Conditions. A reference to a "Pricing Supplement" does not limit the provisions or features of this Programme which may be supplemented, amended, modified or replaced by a Pricing Supplement in relation to a particular Tranche or Series of Notes.

Issuer: Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. ("**Issuer**"), a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands and acting through its principal office in The Hague, the Netherlands.

The Notes are not the obligations of either the Australian Government or the New Zealand Government and, in particular, are not guaranteed by the Commonwealth of Australia nor Her Majesty the Queen in right of New Zealand.

The Issuer is neither a bank nor an authorised deposit-taking institution which is authorised under the Australian Banking Act. The Issuer is not a registered bank under the NZ Reserve Bank Act or otherwise regulated or supervised by the Reserve Bank of New Zealand.

Programme description: A non-underwritten debt issuance programme under which, subject to applicable laws and directives, the Issuer may elect to issue medium term notes (and other debt instruments (collectively referred to as "**Notes**") in the Australian and New Zealand wholesale domestic capital markets in registered uncertificated form.

Subject to all applicable laws and directives, the Issuer may issue Notes in other countries, including in Europe and Asia, but not in the United States of America unless an exemption from the registration requirements under the US Securities Act is available.

Programme Amount: A\$1,000,000,000 (or its equivalent in other currencies and as that amount may be increased from time to time).

Programme term: The term of the Programme continues until terminated by the Issuer giving 30 days' notice to any Dealers then appointed to the Programme generally or, if no Dealers are then appointed to the Programme generally, at such time as the Issuer determines.

Dealers: Daiwa Capital Markets Europe Limited

Other Dealers may be appointed by the Issuer from time to time for a specific Tranche of Notes or to the Programme generally under a subscription agreement or dealer agreement incorporating the applicable terms of the Dealer Agreement dated 7 April 2011 as amended and restated on 26 April 2016 ("**Dealer Agreement**"). A list of the current Dealers from time to time can be obtained from the Issuer.

Contact details and particulars of the applicable Australian Business Number and Australian financial services licence number for the above named Dealer are set out in the section entitled "Director" below.

Registrar: The registrar for a particular Tranche or Series will be:

(a) in the case of Australian Notes, BTA Institutional Services Australia

Limited (ABN 48 002 916 396) ("**Australian Registrar**");

- (b) in the case of New Zealand Notes, Computershare Investor Services Limited ("**New Zealand Registrar**"); or
- (c) in any case, any other person appointed by the Issuer to perform registry functions and establish and maintain a Register (as defined below) on the Issuer's behalf from time to time,

each a "**Registrar**" and together, the "**Registrars**".

Details of additional appointments in respect of a Tranche or Series will be notified in the relevant Pricing Supplement.

Issuing and Paying Agent:

The issuing and paying agent for a particular Tranche or Series will be:

- (a) in the case of Australian Notes, the Australian Registrar;
- (b) in the case of New Zealand Notes, the New Zealand Registrar; or
- (c) in any case, any other person appointed by the Issuer to act as issuing agent or paying agent on the Issuer's behalf from time to time,

each an "**Issue and Paying Agent**" and together, the "**Issue and Paying Agents**".

Details of additional appointments in respect of a Tranche or Series will be notified in the relevant Pricing Supplement.

Calculation Agents:

If a Calculation Agent is required for the purpose of calculating any amount or making any determination under a Note, such appointment will be notified in the relevant Pricing Supplement. The Issuer may terminate the appointment of the Calculation Agent, appoint additional or other Calculation Agents or elect to have no Calculation Agent. Where no Calculation Agent is appointed, the calculation of interest, principal and other payments in respect of the relevant Notes will be made by the Issuer.

Agents:

Each Registrar, Issuing and Paying Agent, Calculation Agent and any other person appointed by the Issuer to perform other agency functions with respect to any Tranche or Series of Notes (details of such appointment may be set out in the relevant Pricing Supplement).

Form of Notes:

Notes will be issued in registered uncertificated form and will be debt obligations of the Issuer which are constituted by, and owing under, the Second Note Deed Poll dated 26 April 2016, as amended or supplemented from time to time, or such other deed poll executed by the Issuer as may be specified in an applicable Pricing Supplement (each a "**Deed Poll**").

Notes will take the form of entries in a register ("**Register**") maintained by the applicable Registrar.

Issuance in Series:

Notes will be issued in Series. Each Series may comprise one or more Tranches having one or more issue dates and on conditions that are otherwise identical (other than, to the extent relevant, in respect of the issue price and the first payment of interest). The Notes of each Tranche of a Series are intended to be fungible with the other Tranches of Notes of that Series.

Status and ranking:

Notes at all times constitute unsecured and unsubordinated obligations of the Issuer.

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

Dutch bail-in power: By acquiring Notes, each Holder (including each beneficial owner) of the Notes acknowledges and accepts to be bound by and consents to the exercise of any Dutch bail-in power by the relevant resolution authority that may result in (i) the reduction of all, or a portion, of the principal amount of, or interest on, the Notes and/or (ii) the conversion of all, or a portion, of the principal amount of, or interest on, the Notes into common equity tier 1 instruments (such as ordinary shares) or other instruments of ownership of the Issuer or another person, which Dutch bail-in power may be exercised by means of variation of the terms of the Notes as necessary to give effect to the above. Each Holder (including each beneficial owner) of the Notes further acknowledges and accepts that the rights of the Holders under the Notes are subject to, and will be varied, if necessary, to give effect to, the exercise of any Dutch bail-in power by the relevant resolution authority expressed to implement such a reduction or conversion.

Maturities: Subject to all applicable laws and directives, Notes may have any maturity as may be specified in the applicable Pricing Supplement or as may be agreed between the Issuer and the relevant purchasing Dealer.

Currencies: Subject to all applicable laws and directives, Notes will be denominated in:

- (a) in respect of Australian Notes, Australian dollars;
- (b) in respect of New Zealand Notes, New Zealand dollars; or
- (c) such other freely transferable and freely available currencies as may be specified in the relevant Pricing Supplement.

Issue Price: Subject to all applicable laws and directives, Notes may be issued at any price on a fully or partly paid basis, as specified in the relevant Pricing Supplement.

Denominations: Subject to all applicable laws and directives, Notes will be issued in such denominations as may be specified in the relevant Pricing Supplement.

Clearing Systems: Notes may be transacted either within or outside any Clearing System (as defined below).

The Issuer may apply to Austraclear Ltd (ABN 94 002 060 773) ("**Austraclear**") for approval for Australian Notes to be traded on the clearing and settlement system operated by it ("**Austraclear System**"). Such approval by Austraclear is not a recommendation or endorsement by Austraclear of the Australian Notes.

The Issuer may apply to the Operator for approval for the New Zealand Notes to be traded on the NZClear System. Such approval by the Operator is not a recommendation or endorsement by the Operator of the New Zealand Notes.

Interests in Notes may also be traded on the settlement system operated by Euroclear Bank S.A./N.V. ("**Euroclear**") or the settlement system operated by Clearstream Banking S.A. ("**Clearstream, Luxembourg**") or any other clearing system outside Australia specified in the relevant Pricing Supplement (the Austraclear System, the NZClear System, Euroclear, Clearstream, Luxembourg and any other clearing system so specified, each a "**Clearing**

System”).

Interest in Notes traded in the Austraclear System may be held through Euroclear or Clearstream, Luxembourg. In these circumstances, entitlements in respect of holdings of interests in Notes in Euroclear would be held in the Austraclear System by a nominee of Euroclear (currently HSBC Custody Nominees (Australia) Limited) while entitlements in respect of holdings of interests in Notes in Clearstream, Luxembourg would be held in the Austraclear System by a nominee of J.P. Morgan Chase Bank, N.A. as custodian for Clearstream, Luxembourg. Interests in Notes traded in the NZClear System may be held through Euroclear or Clearstream, Luxembourg. In these circumstances, entitlements in respect of holdings of interests in Notes in Euroclear would be held in the NZClear System by a nominee of Euroclear (currently HSBC Nominees (New Zealand) Limited) while entitlements in respect of holdings of interests in Notes in Clearstream, Luxembourg would be held in the NZClear System by a nominee of Clearstream, Luxembourg (currently JP Morgan Chase Bank, N.A.).

The rights of a holder of interests in a Note held through Euroclear or Clearstream, Luxembourg are subject to the respective rules and regulations for accountholders of Euroclear and Clearstream, Luxembourg, the terms and conditions of agreements between Euroclear and Clearstream, Luxembourg and their respective nominee and the rules and regulations of the Austraclear System and the NZClear System, as the case may be. In addition, any transfer of interests in a Note, which is held through Euroclear or Clearstream, Luxembourg will, to the extent such transfer will be recorded (i) in the Austraclear System, be subject to the Australian Corporations Act and the requirements for minimum consideration summarised in the section headed “Transfer procedure” below; and (ii) in the NZClear System, be subject to the requirements summarised in the section headed “Transfer procedure” below.

The Issuer will not be responsible for the operation of the clearing arrangements which is a matter for the clearing institutions, their nominees, their participants and the investors.

Title: Entry of the name of the person in the relevant Register in respect of a Note in registered form constitutes the obtaining or passing of title and is conclusive evidence that the person so entered is the registered holder of that Note subject to correction for fraud or proven error.

Title to Notes held in a Clearing System will be determined in accordance with the rules and regulations of that relevant Clearing System.

Notes held in the Austraclear System will be registered in the name of Austraclear. Notes held in the NZClear System will be registered in the name of the Depository.

No certificates or other evidence of title in respect of any Notes will be issued unless the Issuer determines that certificates should be available or it is required to do so pursuant to any applicable law or directive.

Title to other Notes will depend on the form of those Notes as specified in the relevant Pricing Supplement.

Other Notes: The Issuer may from time to time issue Notes in a form not specifically contemplated in this Information Memorandum. Terms applicable to any other type of Note that the Issuer may issue under the Programme will be set out in the relevant Pricing Supplement or other supplement to this Information Memorandum.

Redemption: Notes will be redeemed on, and may be redeemed prior to their scheduled maturity as more fully set out in the Conditions and the relevant Pricing Supplement.

Notes held in a Clearing System will be redeemed through that Clearing System in a manner that is consistent with the rules and regulations of that Clearing System.

Selling restrictions: There are selling restrictions in relation to the offer, sale or delivery of Notes in Australia, New Zealand, the European Economic Area, the Netherlands, the United Kingdom, the United States of America, Japan, Hong Kong and Singapore (which are set out in the section entitled "Selling Restrictions" below and there may be other selling restrictions set out in connection with the offering and sale of a particular Tranche or Series of Notes in a relevant Pricing Supplement).

Transfer procedure: Notes may only be transferred in whole.

Unless otherwise specified in an applicable Pricing Supplement, Notes may only be transferred:

- (a) in the case of Notes to be transferred in, or into, Australia, if:
 - (i) the offer or invitation giving rise to the transfer:
 - (A) is for an aggregate consideration of at least A\$500,000 (or its equivalent in an alternative currency, and in either case, disregarding moneys lent by the transferor or its associates to the transferee) or the offer or invitation for the transfer of the Notes does not require disclosure to investors under Parts 6D.2 or 7.9 of the Australian Corporations Act; and
 - (B) does not constitute an offer to a "retail client" as defined for the purposes of section 761G of the Australian Corporations Act; and
 - (ii) the transfer complies with Banking (Exemption) Order No. 82 dated 23 September 1996 promulgated by the Assistant Treasurer of Australia as if it applied to the Issuer *mutatis mutandis* (and which, as at the date of this Information Memorandum, requires all offers and transfers of any parcels of Notes to be for a minimum aggregate principal amount of at least A\$500,000);
- (b) in the case of Notes to be transferred in, or into, New Zealand:
 - (i) if each relevant subscriber is a "wholesale investor" within the meaning of clause 3(2)(a), (c) or (d) of Schedule 1 to the NZ FMCA, being persons who fall within one or more of the following categories of "wholesale investor":
 - (A) an "investment business" within the meaning of clause 37 of Schedule 1 of NZ FMCA;
 - (B) "large" within the meaning of clause 97 of Schedule 1 of NZ FMCA; or
 - (C) a "government agency" within the meaning of clause

40 of Schedule 1 of NZ FMCA; or

- (ii) in other circumstances where there is no contravention of the NZ FMCA, provided that such Notes may not be offered or transferred to any person that is a “wholesale investor” under the NZ FMCA solely because that person is an “eligible investor” within the meaning of clause 41 of Schedule 1 to the NZ FMCA) or meets the “investment activity” criteria specified in clause 38 of Schedule 1 of the NZ FMCA; and
- (c) at all times, the transfer complies with all applicable laws or directives of the jurisdiction where the transfer takes place.

Transfers of Notes held in a Clearing System, will be made in accordance with the rules and regulations of the relevant Clearing System.

Restrictions on the transfer of Notes may also be set out in the relevant Pricing Supplement or in another supplement to the Information Memorandum.

- Taxes:** A brief overview of the Australian, New Zealand and Dutch taxation treatment (including as to Dutch withholding tax) of payments of interest on Notes and certain other matters is set out in the section entitled “Taxation” below. However, investors should obtain their own taxation advice regarding the taxation status of investing in any Notes.
- Withholding Tax:** All payments in respect of the Notes will be made without deduction or withholding for or on account of Taxes imposed by the Netherlands unless a withholding or deduction is required by law. In the event that any such deduction or withholding is made, the Issuer will, save in certain limited circumstances provided in Condition 12.2 of the Notes, be required to pay additional amounts to cover the amounts so deducted.
- Stamp duty:** Any stamp duty incurred at the time of issue of the Notes will be for the account of the Issuer. Any stamp duty incurred on a transfer of Notes will be for the account of the relevant investors.
- As at the date of this Information Memorandum, no Australian or New Zealand stamp duty is payable on the issue, transfer or redemption of the Notes. However, investors are advised to seek independent advice regarding any stamp duty or other taxes imposed by another jurisdiction upon the transfer of Notes, or interests in Notes, in any jurisdiction.
- Listing:** Subject to all applicable laws and directives, the applicable Pricing Supplement in respect of the issue of any Tranche of Notes will specify whether or not Notes of a Series will be quoted on any stock or securities exchange.
- Governing Law:** The Notes and all related documentation will be governed by the laws of New South Wales, Australia, except for the Agency Agreement in respect of the New Zealand Notes which is governed by the laws of New Zealand.

Credit rating:

Notes to be issued under the Programme may be rated.

The Issuer's long-term rating is AAA at Standard & Poor's.

A credit rating is not a recommendation to buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Australian Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or 7.9 of the Australian Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Information Memorandum and anyone who receives this Information Memorandum must not distribute it to any person who is not entitled to receive it.

Investors to obtain independent advice with respect to investment and other risks:

This Information Memorandum does not describe the risks of an investment in any Notes. Prospective investors should consult their own professional, financial, legal and tax advisers about risks associated with an investment in any Notes and the suitability of investing in the Notes in light of their particular circumstances.

Corporate Profile

The Issuer

Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (“**Issuer**” or “**FMO**”) was incorporated with limited liability under the laws of the Netherlands on 8 July 1970. The Issuer was established by the State of the Netherlands (the “**State**”), several Dutch companies and several Dutch trade unions in accordance with, and pursuant to, the Law of 1 May 1970 on Nederlandse Financierings Maatschappij voor Ontwikkelingslanden N.V. (*Staatsblad* 237, 1970).

The principal object of the Issuer, as set forth in its articles of association, is to make a contribution to the advancement of productive enterprise in developing countries in order to stimulate their economic and social progress, in accordance with the aims pursued by their governments and with the policy of the Dutch government in regard to development aid.

On 3 March 2014, the Dutch Central Bank (*De Nederlandsche Bank*) (“**DNB**”) granted a full banking license to the Issuer pursuant to article 2:12 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (“**DFSA**”). Since this date, the Issuer may also attract repayable funds from the public, including the issuance of Notes to retail investors (but excluding funds to which the deposit guarantee scheme (*depositogarantiestelsel*) applies, unless prior approval has been obtained from DNB). Prior to obtaining a full banking license, the Issuer was authorised by DNB, pursuant to Article 3:4 subsection 1 of the DFSA, to pursue the business of a voluntary bank in the Netherlands. The Issuer is submitted to the formal supervision of DNB, and complies with the internationally accepted standards of the Bank for International Settlements (“**BIS**”) and other banking requirements. The Issuer is a large company (*structuurvennootschap*) as set forth in article 2:153 of the Dutch Civil Code.

Shareholders of the Issuer

The Issuer has an authorised share capital of EUR 45,380,000 divided into 1,020,000 Class A Shares of nominal value EUR 22.69 each (the “**A Shares**”) and 980,000 Class B Shares of nominal value EUR 22.69 each (the “**B Shares**”). The A Shares may only be issued to and owned by the State. The issued and fully paid share capital amounts to EUR 9,076,000 and comprises 204,000 A Shares and 196,000 B Shares. Each A Share and each B Share carries the right to cast one vote at any general meeting of shareholders of the Issuer.

51% of the Issuer’s share capital is held by the State since 1977. 42% of the Issuer’s share capital is held by Dutch banks. The remaining shares are held by companies, trade unions and individual investors.

Mission

The Issuer finances entrepreneurs from developing countries because it believes a thriving private sector fuels economic and social progress. Entrepreneurship is the key to creating sustainable economic growth and improving people’s living standards. The Issuer invests in companies, financial institutions and projects with capital and knowledge, ambitious entrepreneurs who care about social returns and protecting the environment alongside financial success, because the Issuer is convinced they can serve as engines of sustainable growth in their countries. The Issuer creates impact through (i) inclusive development, (ii) green development, (iii) economic growth and (iv) sharing the Issuer’s knowledge and networks. The Issuer’s business is fuelled by a vision that it shares with the World Business Council for Sustainable Development: a world in 2050 in which nine billion people live well and within the boundaries of the planet. Within this vision, the Issuer’s mission is to empower entrepreneurs to build a better world.

Business overview

The Issuer’s core business comprises providing long term financing to private companies and financial institutions in Asia, Latin America, Africa and other developing country regions. The Issuer makes use of financial products such as loans and equity investments as well as a non-financial product, and knowledge transfer. The Issuer’s lending and guarantee operations include project finance, corporate

loans and lines of credit to financial institutions. The Issuer invests, inter alia, both directly and through managed investment funds, in common and preference shares, subordinated loans with equity options or other sweeteners, and other quasi-equity instruments such as mezzanine financing, whether redeemable or not and whether covered by put-options or not. Other activities of the Issuer include financing small-scale enterprises, providing seed capital to newly formed companies mainly in Africa, financing infrastructure projects in least developed countries, encouraging foreign direct investments and financial investment promotion and capacity development of five private sector companies in developing countries. Such other activities are performed by the Issuer for the account of the State and are based on agreements with the State.

These activities enable the Issuer to take on additional portfolio and sector-level risk in some cases. In others, such as in relation to capacity development activities, company-level risks are reduced by coupling institution building to the Issuer's core business clients. The client is better served by the Issuer's ability to apply synergetic combinations of these State-supported and the Issuer's primary activities. The capacity development-programme enables targeted access to know-how, bundled to meet a company's full organizational needs. The program is FMO-managed and financed by the Dutch Ministry for Development Cooperation. In 2013, FMO established an investment advisory and management function which operates under the name FMO Investment Management ("**FIM**"). FIM is an investment advisor to a recently established debt fund that participates in loans provided to financial institutions serving small and medium sized enterprises in developing countries. To support fund management activities, FIM implemented a new system for administration of funds that it will be managing for third parties. FIM also obtained a Markets in Financial Instruments Directive ("**MiFID**") license.

Through its syndicated loan- or B loan-program the Issuer pools financial resources from multiple partners to attract the required funding on a non-recourse basis. Under this program, other financial institutions provide part of the funds for a loan and bear their pro rata share of the risks, but the Issuer serves as a lender of record for the entire loan. The participating banks can benefit from the political protection and fiscal benefits arising from the Issuer's status as a bilateral international financing institution.

The Issuer continues to pursue increasingly effective approaches that strengthen partnerships with key stakeholders by offering innovative solutions for our clients and create worldwide partnerships to serve clients with local knowledge combined with the Issuer's entrepreneurial spirit.

State Agreement

The long term commitment of the State to the Issuer and the State's strong financial backing of the Issuer is set out in the Agreement dated 16 November 1998 between the State and the Issuer (the "**State Agreement**"). The State Agreement was entered into for an indefinite period and may be cancelled by either party with effect from 1 January in any year, but subject to a twelve-year notice period. During such notice period the State Agreement remains in full force and effect. The Issuer states that neither the Issuer nor the State has cancelled the State Agreement and that it does not expect cancellation of the State Agreement in the foreseeable future.

Pursuant to the State Agreement, the State has agreed to provide financial support to the Issuer, including yearly contributions to the Issuer's Development Fund of EUR 37,260,000. The yearly contributions of the State were made available by the State as holder of the A Shares and were added to the Issuer's equity.

The development fund reached EUR 657,981,000 on 1 January 2005. The State Agreement does not provide for further budget allocation after 2005. The purpose of the State Agreement is to ensure that FMO will be able to conduct its business which is described in more detail in the State Agreement and FMO's articles of association. To this extent, article 4 of the State Agreement provides, translated into English, that:

To enable FMO to conduct its business in accordance with Article 1 of this Agreement and its objects as set forth in article 2 of its Articles of Association, the State agrees to provide FMO with funds as hereinafter specified in articles 5-8.

To this extent, the State Agreement is also aimed at providing financial support so that no situations arise in which FMO is unable to meet certain of its commitments on time. The State's undertaking to provide financial support and the types of commitments are described in more detail in article 8 of the State Agreement, which is translated into English as follows:

Without prejudice to other provisions in this Agreement, the State shall prevent situations arising in which FMO is unable to meet the following (comprehensively enumerated) commitments on time. FMO's commitments in respect of:

- (i) loans raised in the capital markets;*
- (ii) short term funds raised on the money market with maturities of two years or less;*
- (iii) swap agreements involving the exchange of principal and interest;*
- (iv) swap agreements not involving the exchange of principal, with interest payments;*
- (v) foreign exchange forward contracts and Forward Rate Agreements (FRAs);*
- (vi) options and futures contracts;*
- (vii) combinations of the products referred to under (i) to (vi);*
- (viii) guarantees given by FMO to third parties in respect of the financing of private companies in developing countries; and*
- (ix) commitments relating to the maintenance of an adequate organization.*

Notes issued under the Programme fall within the scope of the above mentioned article of the State Agreement.

In connection with the said undertaking of the State, it is agreed that the Issuer will provide the Minister of Finance with information necessary to exercise effective supervision of the Issuer's activities and financial position. Pursuant to article 10 of the State Agreement, the State cannot suspend its obligations under article 8.

The State Agreement provides for an evaluation of the State Agreement every five years from the date of the State Agreement. Translated into English, article 11 provides that:

The State and FMO shall evaluate this Agreement or cause it to be evaluated each time with the lapse of five years from the date of signature of this Agreement. Any proposed changes to parts of this Agreement which may arise from such evaluations shall be taken into consideration by the State and FMO, but they shall be under no obligation to consent to them.

Under Dutch law, the Issuer has no obligation to accept any proposal or offer form amendments to the State Agreement following an evaluation. The most recent evaluation was held in 2014 (covering the years 2008-2012). The next evaluation is expected to take place in the course of 2018 (covering the years 2013-2017).

On 9 October 2009 an addendum to the 1998 State Agreement was signed, mainly relating to the information flow to the government in their role as counterparty to the State Agreement.

A copy of the State Agreement may be obtained from the offices of the Issuer on request or from such other person specified in a Pricing Supplement.

Dutch Bail-in Power

The BRRD and the SRM Regulation (each as defined in the Conditions) provide for the European framework for the recovery and resolution of (amongst others) ailing banks, certain investment firms and certain of their holdings companies.

The BRRD has been transposed into Netherlands law pursuant to the Act implementing the European framework for the recovery and resolution of banks and investment firms (*Implementatiewet Europees kader voor herstel en afwikkeling van banken en beleggingsondernemingen*), which entered into force on 26 November 2015. The Issuer is subject to the BRRD as implemented in Netherlands law.

The SRM Regulation applies to banks subject to the single supervisory mechanism (“**SSM**”) pursuant to Council Regulation (EU) No 1024/2013 and Regulation (EU) No 1022/2013, such as the Issuer, and provides for a single resolution framework (“**SRM**”) in respect of such banks. The SRM Regulation has been applicable since 1 January 2016 and prevails over the implementation in national law of the BRRD where it concerns the resolution of such banks. The SRM Regulation also provides for the establishment of a Single Resolution Board (“**SRB**”), which will be responsible for the effective and consistent functioning of the SRM. The SRB also acts as the competent resolution authority for significant banks under the SSM. The competent national resolution authority will, in principle, be the competent resolution authority for less significant banks, such as the Issuer, and is in that capacity responsible for adopting resolution decisions in respect of such banks. However, under certain circumstances, the SRB may, instead of the competent national resolution authority, act as competent resolution authority in respect of less significant banks.

The BRRD, as implemented under Netherlands law, provides the Dutch Central Bank in its capacity as competent national resolution authority with the powers necessary to implement the resolution decisions taken in respect of less significant banks in the Netherlands, such as the Issuer. In addition, the Dutch Central Bank, as the competent supervisory authority in respect of less significant banks, is allowed to take certain recovery measures in the event the financial condition of such a bank is deteriorating (subject to further conditions). Such measures could pertain, amongst others, to a change of the legal or operational structure, the removal of (individuals within) senior management or the management body and the appointment of a temporary administrator.

If the Issuer is deemed no longer viable (or one or more other conditions apply) the Dutch Central Bank may, pursuant to the SRM Regulation, decide to write-down, cancel or convert relevant capital instruments of the Issuer, independently or in combination with a resolution action. The Dutch Central Bank will subsequently exercise the write-down and conversion powers pursuant to the BRRD, as implemented under Netherlands law, in order to write-down, cancel or convert the relevant capital instruments into shares or other instruments of ownership, and in accordance with a certain order of priority.

If the Issuer is deemed failing or likely to fail and the other resolution conditions are also met, the Dutch Central Bank may decide to place the Issuer under resolution. As part of the resolution scheme to be adopted by the Dutch Central Bank, it may decide to apply certain resolution tools, subject to the general resolution objectives and principles laid down in the SRM Regulation. These resolution tools include the sale of business tool, the bridge institution tool and the asset separation tool, each of which, in summary, provides for a transfer of certain assets and/or liabilities of the institution under resolution to a third party. In addition, the SRM provides for the “**bail-in tool**”. The bail-in tool may be applied to recapitalise the Issuer or convert to equity or reduce the principal amount of claims or debt instruments of the Issuer that have been transferred pursuant to one of the aforementioned transfer tools. The bail-in tool extends further than the relevant capital instruments of the Issuer, and may also result in the write-down or conversion of eligible liabilities of the Issuer in accordance with a certain order of priority. In order to ensure the effectiveness of the bail-in tool, the SRM prescribes at all times a minimum requirement for own funds and eligible liabilities which may be subject to the bail-in tool.

According to the SRM Regulation, the national resolution authorities shall take the necessary action to implement resolution decisions. They shall exercise their powers granted to them under the BRRD, as implemented in national law. In addition to the resolution powers described above, the Dutch Central Bank has been granted certain other resolution and ancillary powers to implement any resolution

decision in respect of the Issuer. It may for instance decide to terminate or amend any agreement (including a debt instrument such as the Notes) to which the Issuer is a party or replace the Issuer as a party thereto. Furthermore, the Dutch Central Bank may, subject to certain conditions, suspend the exercise of certain rights of counterparties vis-à-vis the Issuer or suspend the performance of payment or delivery obligations of the Issuer. In addition, pursuant to Netherlands law, certain counterparty rights may be excluded in the event such rights come into existence or become enforceable as a result of any recovery or resolution measure or any event in connection therewith (subject to further conditions).

Finally, the Dutch Intervention Act (as defined in the Conditions) provides the Dutch Minister of Finance with certain powers to intervene in a bank established in the Netherlands, such as the Issuer, if the Minister of Finance deems that the stability of the financial system is in serious and immediate danger due to the situation that bank is in. These powers may result in the expropriation by the Dutch State of assets or liabilities of the Issuer, and securities issued by or with the cooperation of the Issuer. Also, the Minister of Finance may take certain immediate measures which may deviate from statutory provisions or from the articles of association of the Issuer. As a result of the entry into force of the SRM Regulation and the implementation of the BRRD, the foregoing powers have been referred to by the Dutch legislator as constituting state emergency regulations and it is expected that these will only be applied if the SRM and BRRD regime would not be effective. The exclusion of certain rights against the Issuer, as discussed above, applies similarly in this context.

Notwithstanding the State's undertaking pursuant to the State Agreement to provide financial support in respect of the Issuer's commitments under the Notes issued under the Programme, these commitments may nonetheless be subject to the exercise of a Dutch Bail-in Power, or other recovery or resolution measure, as a result of which these commitments may amongst others be written down or converted into capital. Only any commitments of the Issuer under the Notes that would exist following the exercise of a recovery or resolution power would be covered by the aforementioned undertaking of the State.

Risk factors

The rights of the holders of the Notes may be directly or indirectly affected as a result of the exercise by the competent authority of any Dutch Bail-in Power or other recovery or resolution power in respect of the Issuer.

With the implementation of the BRRD into Netherlands law, the entry into force of the SRM Regulation and the Special Measures Financial Institutions Act, the competent authority may decide to take certain measures and exercise certain powers thereunder, including any Dutch Bail-in Power (as defined in the Conditions) or other recovery or resolution power, in such a manner that could result in debt instruments or other liabilities of the Issuer, including the Notes, absorbing losses. The taking of such measures and the exercise of such powers could negatively affect the rights of the holders of the Notes or the enforcement thereof, and could result in losses being incurred by the holders of the Notes to the extent that the holder of the Notes could lose part or all of its investment in the Notes, including any accrued but unpaid interest. The taking of any recovery or resolution measures or exercise of any power pursuant thereto could also indirectly negatively affect the position of the holders of the Notes. Even if no measures are taken or powers are exercised directly in respect of the Notes, any remedies by the holders of the Notes may be restricted, the market value of the Notes may be affected and the powers could increase the Issuer's cost of funding and thereby have an adverse impact on the Issuer's financial position.

The circumstances under which the competent resolution authority would take any recovery or resolution measure are uncertain.

Despite there being certain conditions for the taking of recovery or resolution measures, and the exercise of any powers to implement such measures, it is uncertain regarding the specific factors which the competent authority would consider in deciding whether to take any recovery or resolution measure, and how to implement such measure, with respect to the Issuer and its assets or liabilities, such as the Notes. The criteria that the competent authority would consider provide it with considerable discretion. Holders of the Notes may not be able to refer to publicly available criteria in

order to anticipate a potential taking of any recovery or resolution measure or the exercise of any power pursuant thereto, and consequently its potential effect on the Issuer and the Notes.

The rights of holders of the Notes to challenge the exercise of any Dutch Bail-in Power or other recovery or resolution power by the competent authority are likely to be limited.

Holders of the Notes may have limited rights to challenge, to demand compensation for losses, seek a suspension or nullification of any decision of the competent authority to take certain recovery or resolution measures, and exercise any Dutch Bail-in Power or other recovery or resolution power to implement such measures, to have that decision reviewed by a judicial or administrative process or otherwise, or to exercise any other remedy in this context.

Under the terms of the Notes, the holders of Notes have agreed to be bound by the exercise of any Dutch Bail-in Power by the competent resolution authority.

Whether all or part of the principal amount of the Notes may be subject to the Dutch Bail-Power is unpredictable and may depend on a number of factors which may be outside the Issuer's control. Trading behaviour in respect of Notes which are (expressed to be) subject to the Dutch Bail-in Power is not necessarily expected to follow trading behaviour associated with other types of securities. Any indication herein that the Notes may become subject to the Dutch Bail-in Power could have an adverse effect on the market price of the relevant Notes.

Conditions of the Notes

The following are the Conditions which, as supplemented, amended, modified or replaced by the relevant Pricing Supplement, will apply to the Notes. References to a "Pricing Supplement" in these Conditions do not limit the provisions which may be supplemented, amended, modified or replaced by the Pricing Supplement in relation to a particular Tranche or Series of Notes. Terms used in the relevant Pricing Supplement will, unless the contrary intention appears, have the same meaning where used in these Conditions but will prevail to the extent of any inconsistency.

Each Holder, and each person claiming through or under each such Holder, is bound by, and is deemed to have notice of, the provisions of the Deed Poll and these Conditions (including any relevant Pricing Supplement). Each such person is also deemed to have notice of the Information Memorandum. Copies of each of these documents are available for inspection by Holders during normal business hours at the Specified Office of the Issuer and each Registrar.

1 Interpretation

1.1 Definitions

Unless the contrary intention appears, the following expressions shall have the following meanings:

Additional Amount means an additional amount payable by the Issuer under Condition 12.2 ("Withholding tax");

Agency Agreement means:

- (a) in the case of Australian Notes, the agreement entitled "Agency and Registry Services Agreement" between the Issuer and BTA Institutional Services Australia Limited (ABN 48 002 916 396) dated 7 April 2011;
- (b) in the case of New Zealand Notes, the agreement entitled "New Zealand Agency and Registry Agreement" between the Issuer and Computershare Investor Services Limited dated 7 April 2011;
- (c) any other agreement between the Issuer and a Registrar in relation to the establishment and maintenance of a Register (and/or the performance of any payment or other duties) for any issue of Notes; and/or
- (d) any other agency agreement between the Issuer and an agent in connection with any issue of Notes;

Agent means:

- (a) in the case of Australian Notes, the Australian Registrar;
- (b) in the case of New Zealand Notes, the New Zealand Registrar;
- (c) the Issuing and Paying Agent;
- (d) the Calculation Agent; and
- (e) any additional agent appointed under an Agency Agreement, or any of them as the context requires;

Amortised Face Amount means, in relation to a Zero Coupon Note, an amount equal to the sum of:

- (a) the Reference Price specified in the Pricing Supplement; and
- (b) the amount resulting from the application of the Accrual Yield specified in the Pricing Supplement (compounded annually) to the Reference Price from (and including) the Issue Date to (but excluding) the later of:
 - (i) the date fixed for redemption or (as the case may be) the earlier date the Note becomes due and repayable; and
 - (ii) the date on which payment is made to Holders under Condition 9.8 (“Late payment”),

as further adjusted, if applicable, in the manner specified in the Pricing Supplement;

If the calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year must be made on the basis of the Day Count Fraction specified in the Pricing Supplement;

Auditors means KPMG Accountants N.V. or, in the event of their being unable or unwilling to carry out any action requested of them pursuant to the provisions of this Information Memorandum, such other reputable firm of international accountants as may be nominated by the Issuer;

Austraclear means Austraclear Ltd (ABN 94 002 060 773);

Austraclear Regulations means the regulations known as the “Austraclear Regulations”, together with any instructions or directions (as amended or replaced from time to time), established by Austraclear to govern the use of the Austraclear System and binding on the participants in that system;

Austraclear System means the clearing and settlement system operated by Austraclear in Australia for holding securities and electronic recording and settling of transactions in those securities between participants of that system;

Australian Corporations Act means the Corporations Act 2001 of Australia;

Australian Note means a Note denominated in Australian dollars, which may be cleared through the Austraclear System and/or any other Clearing System as specified in the applicable Pricing Supplement;

Australian Registrar means, in relation to Australian Notes, BTA Institutional Services Australia Limited (ABN 48 002 916 396) or such other person appointed by the Issuer pursuant to an Agency Agreement to maintain a Register in respect of Australian Notes and perform such payment and other duties as specified in that agreement;

BRRD means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council;

Business Day means a day (not being a Saturday, Sunday or public holiday in the relevant place) on which commercial banks and relevant foreign exchange markets settle payments and are open for general banking business:

- (a) for Australian Notes, in Sydney and Amsterdam; and
- (b) for New Zealand Notes, in Sydney, Auckland and Amsterdam;

and in each (if any) Relevant Financial Centre specified in the Pricing Supplement (not being a Saturday, Sunday or public holiday in that place) and, if a Note is to be issued or paid on that day, a day on which each Clearing System for the relevant Note is operating;

Business Day Convention means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following conventions, where specified in the Pricing Supplement in relation to any date applicable to any Note, have the following meanings:

- (a) **Floating Rate Convention** means that the date is postponed to the next following day which is a Business Day unless that day falls in the next calendar month, in which event:
 - (i) that date is brought forward to the first preceding day that is a Business Day; and
 - (ii) each subsequent Interest Payment Date is the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the Pricing Supplement after the preceding applicable Interest Payment Date occurred;
- (b) **Following Business Day Convention** means that the date is postponed to the first following day that is a Business Day;
- (c) **Modified Following Business Day Convention** or **Modified Business Day Convention** means that the date is postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date is brought forward to the first preceding day that is a Business Day;
- (d) **Preceding Business Day Convention** means that the date is brought forward to the first preceding day that is a Business Day; and
- (e) **No Adjustment** means that the relevant date must not be adjusted in accordance with any Business Day Convention.

If no convention is specified in the Pricing Supplement, the Following Business Day Convention applies. Different conventions may be specified in relation to, or apply to, different dates;

Calculation Agent means, in respect of a Note, such person specified in the Pricing Supplement as the party responsible for calculating the Interest Rate and other amounts required to be calculated under these Conditions;

Clearing System means:

- (a) the Austraclear System;
- (b) the NZClear System; and/or
- (c) any other clearing system outside Australia specified in the Pricing Supplement;

Conditions means, in relation to a Note, these terms and conditions as amended, supplemented, modified or replaced by the Pricing Supplement applicable to such Note and references to a particular numbered Condition shall be construed accordingly;

Consolidated Accounts means the annual consolidated accounts of the Issuer and the Consolidated Subsidiaries prepared in accordance with accounting principles generally accepted in the Netherlands, including International Financial Reporting Standards (“IFRS”);

Consolidated Subsidiary means every subsidiary the accounts of which were in the latest Consolidated Accounts, or should, in the written opinion of the Auditors given following a request from the Issuer (to which request the Issuer shall ensure that the Auditors shall, as soon as reasonably practicable, reply), be in the next Consolidated Accounts, consolidated with those of the Issuer;

Day Count Fraction means, in respect of the calculation of interest on a Note for any period of time (“**Calculation Period**”), the day count fraction specified in the Pricing Supplement and:

- (a) if “**Actual/Actual (ICMA)**” is so specified, means:
 - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period, and (2) the number of Regular Periods normally ending in any year; and
 - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period, and (2) the number of Regular Periods normally ending in any year;
- (b) if “**Actual/Actual**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:
 - (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
 - (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if “**30/360**”, “**360/360**” or “**Bond Basis**” is so specified, means 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:

- “**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;
- “**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

- “M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and
- “D₂” 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 D₁ is greater than 29, in which case D₂ will be 30;

(f) if “**30E/360**” or “**Eurobond basis**” is so specified, means 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:

- “Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;
- “Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;
- “M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and
- “D₂” 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 D₁ is greater than 29, in which case D₂ will be 30;

(g) if “**30E/360 (ISDA)**” is so specified, means 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:

- “Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;
- “Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;
- “M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “D₁” 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 D₁ will be 30; and
- “D₂” 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 D₂ will be 30;

- (h) if “**RBA Bond Basis**” or “**Australian Bond Basis**” is so specified, means one divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:
 - (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
 - (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365));
- (i) if “**RBNZ Bond Basis**” or “**NZ Govt Bond Basis**” is so specified, means one divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period, the actual number of days in the Calculation Period divided by 365); and
- (j) any other day count fraction specified in the Pricing Supplement;

Deed Poll means:

- (a) the deed poll entitled “Note Deed Poll” and dated 7 April 2011; and
- (b) such other deed poll that supplements, amends, amends and restates, modifies or replaces the deed poll referred to above, or which is otherwise acknowledged in writing to be a deed poll for the purposes of the Programme,

and in each case, executed by the Issuer;

Denomination means the notional face value of a Note specified in the Pricing Supplement;

Depository means New Zealand Central Securities Depository Limited or any other entity appointed from time to time by the Operator as the depository trustee to hold securities on the NZClear System;

Dutch Bail-in Power means any write-down or conversion power of a resolution authority existing from time to time under any laws, regulations, rules or requirements in effect and applicable to banks established in the Netherlands, such as the Issuer, and including but not limited to any laws, regulations, rules or requirements that are applicable, implemented, adopted or enacted relating to the implementation of the BRRD (such as Sections 3A:21 and 3A:41 of the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*) or under the SRM Regulation, each as may be amended from time to time, or otherwise, and the instruments, rules, standards, decrees and regulations created thereunder, pursuant to which relevant capital instruments issued by or with the cooperation of such bank or eligible liabilities of such bank (or other entity to which such eligible liabilities have been transferred pursuant to a resolution measure), may be (i) reduced (including to zero), (ii) cancelled, or (iii) in whole or in part converted into common equity tier 1 instruments (such as ordinary shares) or other instruments of ownership of such bank or any other person, or any agreement (including debt instruments such as the Notes) to which such bank is a party may be amended or terminated;

Dutch Intervention Act means the *Wet bijzondere maatregelen financiële ondernemingen*, and the rules and regulations related thereto;

Event of Default means the occurrence of any event set out in Condition 14 (“Events of Default”);

Extraordinary Resolution has the meaning given in the Meetings Provisions;

FATCA means:

- (a) sections 1471 to 1474 of the Code or any associated regulations or other official guidance;
- (b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the United States of America and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above; and
- (c) any agreement under the implementation of paragraphs (a) or (b) above, with the United States of America Internal Revenue Service, the United States of America government or any governmental or taxation authority in any other jurisdiction;

Fixed Rate Note means a Note on which interest is calculated at a fixed rate payable in arrear on a fixed date or fixed dates in each year and on redemption or on any other dates as specified in the Pricing Supplement;

Floating Rate Note means a Note on which interest is calculated at a floating rate payable monthly or 2, 3, 6, or 12 monthly or in respect of any other period or on any other date specified in the Pricing Supplement;

Holder means the person in whose name a Note is registered;

Issuing and Paying Agent means:

- (a) in the case of Australian Notes, the Australian Registrar;
- (b) in the case of New Zealand Notes, the New Zealand Registrar; and/or
- (c) any other person appointed by the Issuer to act as issuing agent or paying agent on the Issuer's behalf from time to time;

Information Memorandum means, in respect of a Note, the information memorandum or other offering document referred to in the Pricing Supplement and prepared by, or on behalf of, and approved in writing by, the Issuer in connection with the issue of that Note and all documents incorporated by reference in it, including any applicable Pricing Supplement and any other amendments or supplements to it;

Instalment Date has the meaning given in the Pricing Supplement;

Interest Commencement Date means, in respect of a Note, the Issue Date of the Note or any other date so specified in the Pricing Supplement;

Interest Determination Date means each date so specified in, or determined in accordance with, the Pricing Supplement;

Interest Payment Date means each date so specified in, or determined in accordance with, the Pricing Supplement;

Interest Period means each period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date. However:

- (a) the first Interest Period commences on (and includes) the applicable Interest Commencement Date; and
- (b) the final Interest Period ends on (but excludes) the applicable Maturity Date;

Interest Rate means, for a Note, the interest rate (expressed as a percentage per annum) payable in respect of that Note specified in the Pricing Supplement or calculated or determined in accordance with these Conditions and the Pricing Supplement;

ISDA Definitions means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. (as supplemented, amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series);

Issue Date means the date on which a Note is, or is to be issued, and as may be specified, or determined, in accordance with, the applicable Pricing Supplement;

Issue Price means the issue price for a Note as set out in the Pricing Supplement;

Issuer means Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.;

Margin means the margin specified in, or determined in accordance with, the Pricing Supplement;

Material Subsidiary means any Consolidated Subsidiary whose total assets, as shown by the accounts of such Consolidated Subsidiary, based upon which the latest Consolidated Accounts have been made up, is not less than 5 per cent. of the total assets of the Issuer and its Consolidated Subsidiaries as shown by such Consolidated Accounts. A report by the Auditors that in their opinion a subsidiary is or is not a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Issuer and the Holders;

Maturity Date means the date so specified in, or determined in accordance with, the Pricing Supplement as the date on which the Note are to be redeemed;

Meetings Provisions means the provisions relating to meetings of Holders and set out as a schedule to the Deed Poll;

New Zealand Note means a Note denominated in New Zealand dollars which may be cleared through the NZClear System and/or any other Clearing System as specified in the applicable Pricing Supplement;

New Zealand Registrar means, in relation to New Zealand Notes, Computershare Investor Services Limited or such other person appointed by the Issuer pursuant to an Agency Agreement to maintain a Register in respect of New Zealand Notes and perform such payment and other duties as specified in that agreement;

Note means each form of bond, note, debt security, note or debt obligation specified in an applicable Pricing Supplement and issued or to be issued by the Issuer which is constituted by, and owing under, the Deed Poll, the details of which are recorded in, and evidenced by entry in, the Register. References to any particular type of "Note" or "Notes" shall be read and construed accordingly. All references to Notes must, unless the context otherwise requires, be read and construed as references to the Notes of a particular Series.

NZ FMCA means the Financial Markets Conduct Act 2013 of New Zealand;

NZClear Regulations means the rules and guidelines known as the "NZClear System Rules" and the "NZClear Operating Guidelines" (read together, and as amended from time to time) established by the Operator to govern the use of the NZClear System;

NZClear System means the system operated by the Operator for holding securities and electronic recording and settling of transactions in those securities between members of that system;

Operator means the Reserve Bank of New Zealand or its successor or replacement from time to time in its capacity as operator of the NZClear System;

Partly Paid Note means a Note in relation to which the initial subscription moneys are payable to the Issuer in two or more instalments;

Pricing Supplement means, in respect of a Tranche, the supplement specifying the relevant issue details in relation to that Tranche and which may be substantially in the form set out in the Information Memorandum, duly completed and signed by the Issuer;

Programme means the Issuer's uncommitted programme for the issuance of Notes described in the Information Memorandum;

Record Date means the close of business in the place where the Register is maintained on the date which is seven days before the payment date or any other date so specified in the Pricing Supplement;

Redemption Amount means:

- (a) for a Note (other than a Zero Coupon Note), the outstanding principal amount as at the date of redemption; and
- (b) for a Zero Coupon Note, the Amortised Face Amount calculated as at the date of redemption,

and also includes any final instalment and any other amount in the nature of a redemption amount specified in, or determined in accordance with, the Pricing Supplement or these Conditions;

Redemption Date means such date on which a Note is redeemed prior to its Maturity Date in accordance with these Conditions;

Reference Banks means the institutions so described in the Pricing Supplement or, if none, four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

Reference Rate means, the rate specified in, or determined in accordance with, the Pricing Supplement;

Register means the register, including any branch register, of holders of Notes established and maintained by or on behalf of the Issuer under an Agency Agreement;

Registrar means:

- (a) for the Australian Notes, the Australian Registrar;
- (b) for the New Zealand Notes, the New Zealand Registrar; and/or
- (c) any other person appointed by the Issuer under the relevant Agency Agreement to establish and maintain the Register in respect of a Tranche of Note on the Issuer's behalf from time to time;

Regular Period means:

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

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

Relevant Financial Centre means:

- (a) in the case of Australian Notes, Sydney;
- (b) in the case of New Zealand Notes, Auckland; or
- (c) in any case, any other centre specified as such in the Pricing Supplement;

Relevant Screen Page means:

- (a) the page, section or other part of a particular information service specified as the Relevant Screen Page in the Pricing Supplement; or
- (b) any other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

Relevant Tax Jurisdiction means the European territory of the Kingdom of the Netherlands or political sub-division of it;

Relevant Time has the meaning given in the Pricing Supplement;

Security Record:

- (a) for Australian Notes, has the meaning given in the Austraclear Regulations; and
- (b) for New Zealand Notes, has the meaning given to the term “Security Account” in the NZClear Regulations;

Series means an issue of Notes made up of one or more Tranches all of which form a single Series and are issued on the same Conditions except that the Issue Date and Interest Commencement Date may be different in respect of a different Tranche of a Series;

Specified Office means the office specified in the Information Memorandum or any other address notified to Holders from time to time;

SRM Regulation means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund;

Tax Authority means any government, state, municipal, local, federal or other fiscal, revenue, customs or excise authority, body or official, having power to tax.

Taxes means taxes, levies, imposts, charges and duties (including withholding tax, approved issuer levy, stamp and transaction duties) imposed by any Tax Authority, together with any related interest, penalties, fines and expenses payable in connection with them, except if imposed on or calculated having regard to, the net income of the Holder;

Tranche means an issue of Notes specified as such in the applicable Pricing Supplement issued on the same Issue Date and on the same Conditions; and

Zero Coupon Notes means a Note which does not carry entitlement to periodic payment of interest before the redemption date of the Note and which is issued at a discount to its principal amount.

1.2 References to certain general terms

Unless the contrary intention appears, a reference in these Conditions to:

- (a) a group of persons is a reference to any two or more of them jointly and to each of them individually;
- (b) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- (c) an agreement, representation or warranty by two or more persons binds them jointly and each of them individually;
- (d) anything (including an amount) is a reference to the whole and each part of it;
- (e) a document includes any variation or replacement of it;
- (f) “**law**” means common law, principles of equity and laws made by parliament (and laws made by parliament include federal or state laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (g) a “**directive**” includes a treaty, official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply;
- (h) “**Australian dollars**” or “**A\$**” is a reference to the lawful currency of Australia;
- (i) “**New Zealand dollars**” or “**NZ\$**” is a reference to the lawful currency of New Zealand;
- (j) “**U.S.\$**” is a reference to the lawful currency of the United States of America;
- (k) a time of day:
 - (i) in relation to Australian Notes, is a reference to that time in Sydney ; and
 - (ii) in relation to New Zealand Notes, is a reference to that time in New Zealand;
- (l) if a notice must be given within a certain period of days, the day on which the notice is given, and the day on which the thing is to happen, are not to be counted in calculating that period;
- (m) the word “**person**” includes an individual, a firm, a body corporate, an unincorporated association and an authority;
- (n) a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns; and
- (o) the words “**including**”, “**for example**” or “**such as**” when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

1.3 Number

The singular includes the plural and vice versa.

1.4 Headings

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of these Conditions.

1.5 References to particular terms

Unless the contrary intention appears, in these Conditions:

- (a) a reference to an Agency Agreement is a reference to each Agency Agreement applicable to the Notes of the relevant Series;
- (b) a reference to an Agent is a reference to each Agent appointed to act in respect of Notes of the relevant Series;
- (c) a reference to a Note is a reference to a Note of a particular Series or Tranche issued by the Issuer specified in the Pricing Supplement;
- (d) a reference to a Holder is a reference to the holder of Notes of a particular Series;
- (e) a reference to a Pricing Supplement is a reference to the Pricing Supplement applicable to the Notes of the particular Tranche specified in that Pricing Supplement; and
- (f) if the Notes are Zero Coupon Notes, references to interest are not applicable.

1.6 References to principal and interest

Unless the contrary intention appears, in these Conditions:

- (a) any reference to "principal" is taken to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 12 ("Taxation"), any premium payable in respect of a Note, and any other amount in the nature of principal payable in respect of the Notes under these Conditions; and
- (b) the principal amount of a Note issued at a discount is to be taken as at any time to equal the lesser of:
 - (i) its Denomination; and
 - (ii) if specified in the Pricing Supplement, its Amortised Face Amount at that time;
- (c) the principal amount of a Note which is to vary by reference to a schedule or formula (where such determination has been previously made in accordance with these Conditions) is to be taken as at any time to equal its varied amount;
- (d) the principal amount of a Partly Paid Note is to be taken to equal its paid up principal amount; and
- (e) any reference to "interest" is taken to include any other amount in the nature of interest payable in respect of the Notes under these Conditions.

1.7 Terms defined in Pricing Supplement

Terms which are defined in the Pricing Supplement as having a defined meaning have the same meaning when used in these Conditions but if the Pricing Supplement gives no meaning or specifies that the definition is "Not Applicable", then that definition is not applicable to the Notes.

2 Introduction

2.1 Programme

Notes are issued under the Programme established by the Issuer.

2.2 Pricing Supplement

The Issuer will issue the Notes on the terms set out in these Conditions as supplemented, amended, modified or replaced by the Pricing Supplement applicable to those Notes. If there is any inconsistency between these Conditions and such Pricing Supplement, the Pricing Supplement prevails.

Notes are issued in Series. A Series may comprise one or more Tranches having one or more Issue Dates and on conditions otherwise identical (other than, to the extent relevant, in respect of the issue price and the first payment of interest).

Copies of the Pricing Supplement are available for inspection or upon request by a Holder or prospective Holder during normal business hours at the Specified Office of the Issuer or the Registrar or are otherwise available on reasonable request from the Issuer or the Registrar.

2.3 Types of Notes

A Note is either:

- (a) a Fixed Rate Note;
- (b) a Floating Rate Note; or
- (c) a Zero Coupon Note,

or a combination of the above (or any other type of debt obligation including a certificate of deposit), as specified in the relevant Pricing Supplement.

2.4 Issue restrictions

Unless otherwise specified in any applicable Pricing Supplement, Notes may only be offered (directly or indirectly) for issue, or applications invited for the issue of Notes, if:

- (a) in the case of Notes to be offered for issue, or where the invitation is made, in or into Australia:
 - (i) the aggregate consideration payable to the Issuer by the relevant subscriber is at least A\$500,000 (or its equivalent in an alternative currency, and in either case, disregarding moneys lent by the Issuer or its associates to the subscriber) or the offer or invitation for the issue of the Notes does not require disclosure to investors under Parts 6D.2 or 7.9 of the Australian Corporations Act;
 - (ii) the offer or invitation does not constitute an offer to a “retail client” for the purposes of section 761G of the Australian Corporations Act; and
 - (iii) the offer or invitation (including any resulting issue) complies with Banking (Exemption) Order No. 82 dated 23 September 1996 promulgated by the Assistant Treasurer of Australia as if it applied to the Issuer *mutatis mutandis* (and which requires all offers and transfers to be for a minimum aggregate principal amount of at least A\$500,000);
- (b) in the case of Notes to be offered for issue, or where the offer or invitation is made, in or into, New Zealand:

- (i) if each relevant subscriber is a “wholesale investor” within the meaning of clause 3(2)(a), (c) or (d) of Schedule 1 to the NZ FMCA, being persons who fall within one or more of the following categories of “wholesale investor”):
 - (A) an “investment business” within the meaning of clause 37 of Schedule 1 of the NZFMCA;
 - (B) “large” within the meaning of clause 39 of Schedule 1 of the NZFMCA or
 - (C) a “government agency” within the meaning of clause 40 of Schedule 1 of the NZFMCA; or
- (ii) in other circumstances where there is no contravention of the NZ FMCA (provided that such Notes may not be offered or issued to any person that is a “wholesale investor” under the NZ FMCA solely because that person is an “eligible investor” (within the meaning of clause 41 of Schedule 1 of the NZ FMCA) or meets the “investment activity” criteria specified in clause 38 of Schedule 1 of the NZ FMCA); and
- (c) in all cases, the offer or invitation (including any resulting issue) complies with all applicable laws and directives in the jurisdiction in which the issue takes place.

2.5 Denomination

Notes may be issued in the Denomination(s) specified in the Pricing Supplement.

2.6 Currency

Subject to compliance with all applicable legal and regulatory requirements, Notes may be denominated in Australian dollars, New Zealand dollars or such other freely transferable and freely available currency or currencies specified in the relevant Pricing Supplement.

2.7 Clearing Systems

If the Notes are held in a Clearing System, the rights of a person holding an interest in those Notes are subject to the rules and regulations of the Clearing System. The Issuer is not responsible for anything the Clearing System does or omits to do.

3 Form

3.1 Constitution

- (a) Notes are debt obligations of the Issuer constituted by, and owing under, the Deed Poll, the details of which are recorded in, and evidenced by entry in, the Register.
- (b) Holders of the Notes are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Deed Poll.

3.2 Form

Notes are issued in registered form by entry in the Register.

3.3 No certificates

No certificates will be issued to Holders unless the Issuer determines that certificates should be available or are required by any applicable law.

4 Status and ranking

4.1 Status

Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer.

4.2 Ranking

As among themselves, the Notes of each Series will rank *pari passu* and will be payable rateably without preference or priority with all other present and future direct, unconditional, unsecured and unsubordinated obligations of the Issuer (except any such obligations as are preferred by law).

4.3 Dutch Bail-in Power

- (a) By acquiring any Notes, each Holder and beneficial owner of Notes or any interest therein acknowledges and accepts:
- (i) to be bound by the effect of an application of any Dutch Bail-in Power by the relevant resolution authority;
 - (ii) that, in the exercise of such Dutch Bail-in Power by the relevant resolution authority, Notes may be subject to:
 - (A) the reduction of all, or a portion, of the principal amount or outstanding amount due of, or accrued but unpaid interest in respect of, the Notes;
 - (B) the conversion of all, or a portion, of the principal amount or outstanding amount due of, or accrued but unpaid interest in respect of, the Notes into common equity tier 1 instruments (such as ordinary shares) or other instruments of ownership; and/or
 - (C) a variation of the terms of the Notes as necessary to give effect to the exercise by the relevant resolution authority of such Dutch Bail-in Power and such variation shall be binding on each Holder and beneficial owner; and/or
 - (iii) that common equity tier 1 instruments (such as ordinary shares) or other instruments of ownership may be issued to or conferred on such Holder, in each case to give effect to the exercise by the relevant resolution authority of such Dutch Bail-in Power.
- (b) Each Holder and beneficial owner of Notes or any interest therein further acknowledges and accepts that any liability of the Issuer is subject to the exercise of any Dutch Bail-in Power by the relevant resolution authority and that this Condition 4.3 is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings between the Issuer and such Holder and beneficial owner in relation to the Notes.
- (c) In addition, the exercise of any Dutch Bail-in Power may require interests in the Notes and/or other actions implementing any Dutch Bail-in Power to be held or taken, as the case may be, through Clearing Systems, intermediaries or persons other than the preferred or agreed Clearing System.
- (d) To the extent permitted by law, the Issuer shall provide a written notice directly to the relevant Registrar as soon as practicable of any exercise of the Dutch Bail-in Power with respect to the Notes by the relevant resolution authority for purposes of notifying Holders of such occurrence.

- (e) No repayment of the principal amount or outstanding amount due of the Notes or payment of accrued but unpaid interest on the Notes will become due and payable after the exercise of any Dutch Bail-in Power in respect to the Notes by the relevant resolution authority unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer, and has not been suspended by the relevant resolution authority, under the laws and regulations of the Netherlands and the European Union applicable to the Issuer.

For the purposes of this Condition 4.3, a reference to “Holder” includes any person holding an interest in the Notes.

5 Title and transfer of Notes

5.1 Title

Title to Notes passes when details of the transfer are entered in the Register.

5.2 Effect of entries in Register

Each entry in the Register in respect of a Note constitutes:

- (a) an irrevocable undertaking by the Issuer to the Holder to:
 - (i) pay principal, any interest and any other amounts in accordance with these Conditions; and
 - (ii) otherwise to comply with the Conditions; and
- (b) an entitlement to the other benefits given to Holders under these Conditions in respect of the Notes.

5.3 Ownership and non-recognition of interests

- (a) Entries in the Register in relation to a Note constitute conclusive evidence that the person so entered is the absolute owner of such Note subject to correction for fraud or error.
- (b) No notice of any trust or other interest in, or claim to, any Note will be entered in a Register. Neither the Issuer nor the relevant Registrar need take notice of any trust or other interest in, or claim to, any Note, except as ordered by a court of competent jurisdiction or required by any applicable law or directive. This Condition 5.3(b) applies whether or not a Note is overdue.

5.4 Joint holders

Where two or more persons are entered in the Register as the joint holders of a Note then they are taken to hold that Note as joint tenants with rights of survivorship, but the Registrar is not bound to register more than four persons as joint holders of a Note.

5.5 Transfer

Holders may only transfer Notes in accordance with these Conditions.

5.6 Transfers in whole

Notes may be transferred in whole but not in part.

5.7 Conditions of transfer

Notes may only be transferred if:

- (a) in the case of Notes to be transferred in, or into, Australia:
 - (i) the offer or invitation giving rise to the transfer:
 - (A) is for an aggregate consideration of at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the transferor or its associates to the transferee) or does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Australian Corporations Act; and
 - (B) does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Australian Corporations Act; and
 - (ii) the transfer complies with Banking (Exemption) Order No. 82 dated 23 September 1996 promulgated by the Assistant Treasurer of Australia as if it applied to the Issuer *mutatis mutandis* (and which requires all offers and transfers to be for a minimum aggregate principal amount of at least A\$500,000); and
- (b) in the case of Notes to be transferred in, or into, New Zealand:
 - (i) the Notes are transferred to persons who are “wholesale investors” within the meaning of clause 3(2)(a), (c) or (d) of Schedule 1 to the NZ FMCA, being persons who fall within one or more of the following categories of “wholesale investor”:
 - (A) an “investment business” within the meaning of clause 37 of Schedule 1 of the NZFMCA;
 - (B) “large” within the meaning of clause 39 of Schedule 1 of the NZFMCA;
 - (C) a “government agency” within the meaning of clause 40 of Schedule 1 of the NZFMCA; or
 - (ii) in other circumstances where there is no contravention of the NZ FMCA (provided that such Notes may not be offered or transferred to any person that is a “wholesale investor” under the NZ FMCA solely because that person is an “eligible investor” (within the meaning of clause 41 of Schedule 1 of the NZ FMCA) or meets the “investment activity” criteria specified in clause 38 of Schedule 1 of the NZ FMCA); and
- (c) at all times, the transfer complies with all applicable laws and directives of the jurisdiction where the transfer takes place.

5.8 Transfer procedures

- (a) Interests in Notes held in a Clearing System will be transferable only in accordance with the rules and regulations of that Clearing System. If a Note is lodged in the Austraclear System or the NZClear System, neither the Issuer nor the relevant Registrar will recognise any such interest other than the interest of Austraclear as the Holder while that Note is lodged in the Austraclear System or the NZClear System, as the case may be.
- (b) Where the Depository is the Holder and the New Zealand Note is lodged in the NZClear System, the Operator may, in its absolute discretion and, to the extent not

prohibited by the NZClear Regulations, instruct the New Zealand Registrar to transfer the New Zealand Note to the person in whose Security Record that New Zealand Note is recorded without any consent or action of such transferee and, as a consequence, remove that New Zealand Note from the NZClear System.

- (c) Application for the transfer of Notes not held in a Clearing System must be made by the lodgment of a transfer form with the Registrar at its Specified Office. Transfer forms must be in the form available from the Issuer (or such other person as may be specified in a Pricing Supplement) and:
 - (i) each transfer form must be:
 - (A) duly completed and stamped (if applicable);
 - (B) accompanied by any evidence the Registrar may require to establish that the transfer form has been duly executed; and
 - (C) signed by, or on behalf of, both the transferor and the transferee; and
 - (ii) transfers will be registered without charge provided all applicable Taxes have been paid.

5.9 Restrictions on transfers

Transfers of Notes which are not lodged in a Clearing System cannot be made between a Record Date and the relevant Interest Payment Date if a redemption of such Note is to occur during that period in accordance with these Conditions.

5.10 Effect of transfer

Upon registration and entry of the transferee in the Register the transferor ceases to be entitled to future benefits under these Conditions in respect of the transferred Note and the transferee becomes so entitled in accordance with Condition 5.2 (“Effect of entries in Register”).

5.11 CHES

Notes which are listed on the Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691) will not be transferred through, or registered on, the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited (ABN 49 008 504 532) and will not be “Approved Financial Products” for the purposes of that system.

5.12 Austraclear or Depository as Holder

If Austraclear or the Depository (as applicable) is recorded in the Register as the Holder, each person in whose Security Record a Note is recorded is taken to acknowledge in favour of the Issuer, the Registrar and Austraclear or the Depository (as applicable) that:

- (a) the Registrar’s decision to act as the Registrar of that Note is not a recommendation or endorsement by the Registrar or Austraclear or the Depository (as applicable) in relation to that Note, but only indicates that the Registrar considers that the holding of the Note is compatible with the performance by it of its obligations as Registrar under the relevant Agency Agreement; and
- (b) it does not rely on any fact, matter or circumstance contrary to paragraph (a).

5.13 Estates

Subject to this Condition 5, a person becoming entitled to a Note as a consequence of the death or bankruptcy of a Holder or of a vesting order or a person administering the estate of a

Holder may, upon producing such evidence as to that entitlement or status as the Registrar considers sufficient, transfer the Note or, if so entitled, become registered as the holder of the Note.

5.14 Unincorporated associations

A transfer of a Note to an unincorporated association is not permitted.

5.15 Transfer of unidentified Notes

If a Holder transfers some but not all of the Notes it holds and the transfer form does not identify the specific Notes transferred, the relevant Registrar may choose which Notes registered in the name of Holder have been transferred. However, the aggregate principal amounts of the Notes registered as transferred must equal the aggregate principal amount of the Notes expressed to be transferred in the transfer form.

6 Fixed Rate Notes

This Condition 6 ("Fixed Rate Notes") applies to the Notes only if the Pricing Supplement states that it applies.

6.1 Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate. Interest is payable in arrear on each Interest Payment Date.

6.2 Fixed Coupon Amount

Unless otherwise specified in the Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the preceding Interest Period will be the Fixed Coupon Amount specified in the Pricing Supplement.

6.3 Calculation of interest payable

The amount of interest payable in respect of a Fixed Rate Note for any period for which a Fixed Coupon Amount is not specified in the Pricing Supplement is calculated by multiplying the Interest Rate for that period, the outstanding principal amount of the Fixed Rate Note and the applicable Day Count Fraction.

7 Floating Rate Notes

This Condition 7 ("Floating Rate Notes") applies to the Notes only if the Pricing Supplement states that it applies.

7.1 Interest on Floating Rate Notes

Each Floating Rate Note bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate.

Interest is payable in arrear:

- (a) on each Interest Payment Date; or
- (b) if no Interest Payment Date is specified in the Pricing Supplement, each date which falls the number of months or other period specified as the Specified Period in the

Pricing Supplement after the preceding Interest Payment Date (or in the case of the first Interest Payment Date, after the Interest Commencement Date).

7.2 Interest Rate determination

The Interest Rate payable in respect of a Floating Rate Note must be determined by the Calculation Agent in accordance with these Conditions.

7.3 Fallback Interest Rate

Unless otherwise specified in the Pricing Supplement, if, in respect of an Interest Period, the Calculation Agent is unable to determine a rate in accordance with Condition 7.2 (“Interest Rate determination”), the Interest Rate for the Interest Period will be the Interest Rate applicable to the Floating Rate Notes during the immediately preceding Interest Period.

7.4 ISDA Determination

If “ISDA Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate applicable to the Floating Rate Notes for each Interest Period is the sum of the Margin and the ISDA Rate.

In this Condition:

- (a) “**ISDA Rate**” means, for an Interest Period, a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent for the Floating Rate Notes were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:
 - (i) the Floating Rate Option, the Designated Maturity and the Reset Date are as specified in the Pricing Supplement; and
 - (ii) the Period End Dates are each Interest Payment Date, the Spread is the Margin and the Floating Rate Day Count Fraction is the Day Count Fraction; and
- (b) “**Floating Rate**”, “**Calculation Agent**” (except references to “**Calculation Agent for the Floating Rate Notes**”), “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**”, “**Period End Date**”, “**Spread**” and “**Floating Rate Day Count Fraction**” have the meanings given to those terms in the ISDA Definitions.

7.5 Screen Rate Determination

If “Screen Rate Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate applicable to the Floating Rate Notes for each Interest Period is the sum of the Margin and the Screen Rate.

In this Condition, “**Screen Rate**” means, for an Interest Period, the quotation offered for the Reference Rate appearing on the Relevant Screen Page at the Relevant Time on the Interest Determination Date. However:

- (a) if there is more than one offered quotation displayed on the Relevant Screen Page at the Relevant Time on the Interest Determination Date, the “**Screen Rate**” means the rate calculated by the Calculation Agent as the average of the offered quotations. If there are more than five offered quotations, the Calculation Agent must exclude the highest and lowest quotations (or in the case of equality, one of the highest and one of the lowest quotations) from its calculation;

- (b) if an offered quotation is not displayed by the Relevant Time on the Interest Determination Date or if it is displayed but the Calculation Agent determines that there is an obvious error in that rate, the “**Screen Rate**” means:
- (i) the rate the Calculation Agent calculates as the average mean of the Reference Rates that each Reference Bank quoted to the leading banks in the Relevant Financial Centre specified in the Pricing Supplement at the Relevant Time on the Interest Determination Date; or
 - (ii) where the Calculation Agent is unable to calculate a rate under paragraph (i) because it is unable to obtain at least two quotes, the rate the Calculation Agent calculates as the average of the rates (being the nearest equivalent to the Reference Rate) quoted by two or more banks chosen by the Calculation Agent in the Relevant Financial Centre at approximately the Relevant Time on the Interest Determination Date for a period equivalent to the Interest Period to leading banks carrying on business in the Relevant Financial Centre in good faith; or
- (c) if the Pricing Supplement specifies an alternative method for the determination of the Screen Rate Determination, then that alternative method will apply.

7.6 **BBSW Rate Determination**

If “BBSW Rate Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate applicable to the Floating Rate Notes for each Interest Period is the sum of the Margin and the BBSW Rate.

In this Condition 7, “**BBSW Rate**” means, for an Interest Period, the rate for prime bank eligible securities having a tenor closest to the Interest Period which is designated as the “AVG MID” on the Reuters Screen BBSW page at approximately 10:10am on the first day of that Interest Period.

However, if such rate does not appear on the Reuters Screen BBSW Page by 10.30am on that day, or if it does appear but the Calculation Agent determines that there is an obvious error in that rate, “**BBSW Rate**” means the rate determined by the Calculation Agent having regard to comparable indices then available. The rate calculated or determined by the Calculation Agent will be expressed as a percentage rate per annum and will be rounded up, if necessary, to the next higher one ten-thousandth of a percentage point (0.0001 per cent.).

7.7 **BKBM Rate Determination**

If “BKBM Rate Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate applicable to the Floating Rate Notes for each Interest Period is the sum of the Margin and the BKBM Rate.

In this Condition 7, “**BKBM Rate**” means, for an Interest Period, the “**FRA**” Rate for Bills having a tenor closest to the Interest Period as displayed on the “BKBM” page of the Reuters Monitor System (or its successor page) on the first day of that Interest Period.

However, if the average mid-rate is not displayed as close as reasonably practicable to 10:45 am (New Zealand time) on that day, or if it is displayed but the Issuer or the Calculation Agent determines that there is an obvious error in that rate, “**BKBM Rate**” means the rate determined by the Calculation Agent in good faith as close as reasonably practicable to 10:45 am (New Zealand time) on that day, having regard, to the extent possible, to the rates otherwise bid and offered for bank accepted Bills of that tenor at or around that time. The rate must be expressed as a percentage per annum.

“**Bill**” has the meaning it has in Bills of Exchange Act 1908 of New Zealand and a reference to the acceptance of a Bill is to be interpreted in accordance with that Act.

7.8 Linear Interpolation

If the Pricing Supplement states that “Linear Interpolation” applies to an Interest Period, the Interest Rate for that Interest Period will be determined through the use of straight line interpolation by reference to two ISDA Rates, Screen Rates, BBSW Rates, BKBM Rates or other floating rates specified in the Pricing Supplement, one of which shall be determined as if the Interest Period were the period of time for which rates are available next shorter than the length of the Interest Period (or any alternative Interest Period specified in the Pricing Supplement) and the other of which shall be determined as if the Interest Period were the period of time for which rates are available next longer than the length of the Interest Period (or any alternative Interest Period specified in the Pricing Supplement).

8 General provisions applicable to interest

8.1 Maximum or Minimum Interest Rate

If the Pricing Supplement specifies a “Maximum Interest Rate” or “Minimum Interest Rate” for any Interest Period then, the Interest Rate for the Interest Period must not be greater than the maximum, or be less than the minimum, so specified. The Minimum Interest Rate shall not be less than zero and if no Minimum Interest Rate is specified in the relevant Pricing Supplement, the Minimum Interest Rate shall be zero.

8.2 Calculation of Interest Rate and interest payable

- (a) The Calculation Agent must, in accordance with these Conditions:
 - (i) in relation to each Interest Period for each Floating Rate Note, as soon as practicable after determining the Interest Rate, calculate the amount of interest payable for the Interest Period in respect of the outstanding principal amount of such Note; or
 - (ii) calculate the amount of interest payable for the Interest Period in respect of the outstanding principal amount of each other Note.
- (b) Unless otherwise specified in the Pricing Supplement, the amount of interest payable is calculated by multiplying the product of the Interest Rate for the Interest Period and the outstanding principal amount of the Note by the applicable Day Count Fraction.
- (c) The rate determined by the Calculation Agent must be expressed as a percentage rate per annum.

8.3 Calculation of other amounts

If the Pricing Supplement specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent must, as soon as practicable after the time at which that amount is to be determined, calculate the amount in the manner specified in the Pricing Supplement.

8.4 Notification of Interest Rate, interest payable and other items

- (a) The Calculation Agent must notify the Issuer, the Registrar, the Holders, each other Agent and any stock exchange or other relevant authority on which the Notes are listed of:
 - (i) each Interest Rate, the amount of interest payable and each other amount, item or date calculated or determined by it together with the Interest Payment Date; and

- (ii) any amendment to any amount, item or date referred to in paragraph (i) arising from any extension or reduction in any Interest Period or calculation period.
- (b) The Calculation Agent must give notice under this Condition 8.4 as soon as practicable after it makes its determination. However, it must give notice of each Interest Rate, the amount of interest payable and each Interest Payment Date by the fourth day of the Interest Period.
- (c) The Calculation Agent may amend its determination of any amount, item or date (or make appropriate alternative arrangements by way of adjustment) as a result of the extension or reduction of the Interest Period or calculation period without prior notice but must notify the Issuer, the Registrar, the Holders, each other Agent and each stock exchange or other relevant authority on which the Notes are listed after doing so.

8.5 Determination final

The determination by the Calculation Agent of all amounts, rates and dates falling to be determined by it under these Conditions is, in the absence of manifest error, final and binding on the Issuer, the Registrar, each Holder and each other Agent.

8.6 Rounding

For the purposes of any calculations required under these Conditions (unless otherwise specified in the Pricing Supplement):

- (a) all percentages resulting from the calculations must be rounded, if necessary, to the nearest four decimal places (with 0.00005 per cent. being rounded up to 0.0001 per cent.);
- (b) all figures resulting from the calculations must be rounded to four decimal places (with 0.00005 being rounded up to 0.0001); and
- (c) all amounts that are due and payable must be rounded (with halves being rounded up) to:
 - (i) in the case of Australian dollars and New Zealand dollars, one cent; and
 - (ii) in the case of any other currency, the lowest amount of that currency available as legal tender in the country of that currency.

9 Redemption and purchase

9.1 Scheduled redemption

Each Note is redeemable by the Issuer on the Maturity Date at its Redemption Amount unless:

- (a) the Note has been previously redeemed;
- (b) the Note has been purchased and cancelled; or
- (c) the Pricing Supplement states that the Note has no fixed Maturity Date.

9.2 Partly paid Notes

Partly Paid Notes will be redeemed on their Maturity Date in accordance with the Pricing Supplement.

9.3 Early redemption for tax reasons

The Issuer may redeem all (but not some) of the Notes of a Series in whole before their Maturity Date at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date if, as a consequence of a change, or announced prospective change, in:

- (a) law or a binding judicial decision, directive, ruling or determination; or
- (b) an administrative decision (with which the Issuer is required to, or habitually, comply) interpreting, applying or clarifying those laws or judicial decisions, directives, rulings or determinations,

occurring after the issue date of the first Tranche of a Series of Notes the Issuer (i) is required, or is likely to be required to pay an Additional Amount in respect of a Note or (ii) will not obtain full or substantially full relief for the purposes of Dutch corporate income tax for any interest payable in respect of a Note.

However, the Issuer may only do so if the Issuer has given at least 30 days (and no more than 60 days) (or any other period specified in the Pricing Supplement) notice to the Registrar, the Holders, each other Agent and any stock exchange or other relevant authority on which the Notes are listed.

9.4 Early redemption at the option of Holders (Holder put)

If the Pricing Supplement states that a Holder may require the Issuer to redeem all or some of the Notes of a Series held by the Holder before their Maturity Date, the Issuer must redeem the Notes specified by the Holder at the Redemption Amount and any interest accrued on it to (but excluding) the redemption date if the following conditions are satisfied:

- (a) the amount of Notes to be redeemed is a multiple of their Denomination;
- (b) the Holder has given at least 15 days (and no more than 30 days) (or any other period specified in the Pricing Supplement) notice, to the Issuer and the Registrar by delivering to the Specified Office of the Registrar during normal business hours a completed and signed redemption notice in the form obtainable from the Registrar, together with any evidence the Registrar may require to establish title of the Holder to the Note;
- (c) the notice referred to in paragraph (b) specifies an account in the country of the currency in which the Note is denominated to which the payment should be made or an address to where a cheque for payment should be sent;
- (d) the Redemption Date is an Early Redemption Date (Put) specified in the Pricing Supplement; and
- (e) any other condition specified in the Pricing Supplement is satisfied.

A Holder may not require the Issuer to redeem any Note under this Condition 9.4 if the Issuer has given notice that it will redeem the Note under Condition 9.3 ("Early redemption for tax reasons") or Condition 9.5 ("Early redemption at the option of the Issuer (Issuer call)").

9.5 Early redemption at the option of the Issuer (Issuer call)

If the Pricing Supplement states that the Issuer may redeem all or some of the Notes of a Series before their Maturity Date under this Condition, the Issuer may redeem so many of the Notes specified in the Pricing Supplement at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date.

However, the Issuer may only do so if:

- (a) the amount of Notes to be redeemed is a multiple of, their Denomination;
- (b) the Issuer has given at least 15 days (and no more than 30 days) (or any other period specified in the Pricing Supplement) notice to the Registrar, each Holder and any stock exchange or other relevant authority on which the Notes are listed;
- (c) the proposed redemption date is an Early Redemption Date (Call) specified in the Pricing Supplement; and
- (d) any other condition specified in the Pricing Supplement is satisfied.

9.6 Partial redemptions

If only some of the Notes are to be redeemed under Condition 9.5 (“Early redemption at the option of the Issuer (Issuer call)”), the Notes to be redeemed will be specified in the notice and selected by the Issuer:

- (a) in a fair and reasonable manner under the circumstances of the proposed redemption and having regard to prevailing market practice; and
- (b) in compliance with any applicable law, directive or requirement of any stock exchange or other relevant authority on which the Notes are listed.

9.7 Effect of notice of redemption

Any notice of redemption given under this Condition 9 (“Redemption and purchase”) is irrevocable.

9.8 Late payment

If an amount is not paid under this Condition 9 (“Redemption and purchase”) when due, then:

- (a) for a Note (other than a Zero Coupon Note), interest continues to accrue on the unpaid amount (both before and after any demand or judgment) at the default rate specified in the Pricing Supplement (or, if no default rate is specified, the last applicable Interest Rate) until the date on which payment is made to the Holder; and
- (b) for a Zero Coupon Note, the obligation to pay the amount is replaced by an obligation to pay the Amortised Face Amount recalculated as at the date on which payment is made to the Holder.

9.9 Purchase

The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Purchases may be made by tender offers. Tender offers are subject to applicable laws and directives in any relevant jurisdiction. Notes purchased under this Condition 9.9 may be held, resold or cancelled at the discretion of the Issuer and, if the Notes are to be cancelled, the Issuer will be subject in all cases to compliance with any applicable law or requirement of any stock exchange or other relevant authority on which the Notes are listed.

10 General provisions

10.1 Summary of payment provisions

Payments in respect of Notes will be made in accordance with Condition 10.3 (“Payments on Business Days”).

10.2 Payments subject to law

All payments are subject to:

- (a) applicable law, but without prejudice to the provisions of Condition 12.2 (“Withholding tax”); and
- (b) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof or (without prejudice to the taxation provisions in the Information Memorandum) any law implementing any intergovernmental approach thereto.

10.3 Payments on Business Days

If a payment:

- (a) is due on a Note on a day which is not a Business Day then the due date for payment will be adjusted in accordance with the applicable Business Day Convention; or
- (b) is to be made to an account on a Business Day on which banks are not open for general banking business in the place in which the account is located, then the due date for payment will be the first following day on which banks are open for general banking business in that place,

and in either case, the Holder is not entitled to any additional payment in respect of that delay unless there is a subsequent failure to pay in accordance with these Conditions, in which event interest shall continue to accrue in accordance with these Conditions.

10.4 Currency indemnity

The Issuer waives any right it has in any jurisdiction to pay an amount other than in the currency in which it is due. However, if a Holder receives an amount in a currency other than the currency in which it is due:

- (a) it may convert the amount received into the due currency (even though it may be necessary to convert through a third currency to do so) on the day and at such rates (including spot rate, same day value rate or value tomorrow rate) as it reasonably considers appropriate. It may deduct its usual costs in connection with the conversion; and
- (b) the Issuer satisfies its obligation to pay in the due currency only to the extent of the amount of the due currency obtained from the conversion after deducting the costs of the conversion.

11 Payments on Notes

11.1 Payment of principal

Payments of the principal in respect of a Note will be made to each person registered at 10.00 am on the payment date as the holder of a Note (or to the first person registered in the case of joint holders).

11.2 Payment of interest

Payments of interest in respect of a Note will be made to each person registered at the close of business on the Record Date as the holder of that Note (or to the first person registered in the case of joint holders).

11.3 Payments to accounts

Unless prohibited by law, payments in respect of the Note will be made:

- (a) if the Note is held in the Austraclear System, by crediting on the payment date, the amount due to:
 - (i) the account of Austraclear (as the Holder) in Australia previously notified to the Issuer and the Registrar; or
 - (ii) if requested by Austraclear, the accounts of the persons in whose Security Record the Note is recorded and previously notified by Austraclear to the Issuer and the Registrar in accordance with Austraclear Regulations;
- (b) if the Note is held in the NZClear System, by crediting on the payment date, the amount due to:
 - (i) the account of the Depository (as the Holder) in New Zealand previously notified to the Issuer and the Registrar; or
 - (ii) if requested by the Operator, the accounts of the person in whose Security Record a Note is recorded and as previously notified by the Operator to the Issuer and the Registrar in accordance with the NZClear Regulations; and
- (c) if the Note is not held in the Austraclear System or the NZClear System, by crediting on the payment date, the amount then due under each Note to an account in Australia or New Zealand previously notified by the Holder to the Issuer and the Registrar.

If a payment in respect of the Note is prohibited by law from being made in Australia or New Zealand, such payment will be made in an international financial centre for the account of the relevant payee, and on the basis that the relevant amounts are paid in immediately available funds, freely transferable at the order of the payee.

11.4 Payments by cheque

If a Holder has not notified the Registrar of an account to which payments to it must be made by the close of business on the Record Date, payments in respect of the Note will be made in Australia or New Zealand, as the case may be, by cheque sent by prepaid post on the payment date, at the risk of the Holder, to the Holder (or to the first named joint holder of the Note) at its address appearing in the Register at the close of business on the Record Date. Cheques sent to the nominated address of a Holder will be taken to have been received by the Holder on the payment date and, no further amount will be payable by the Issuer in respect of the Note as a result of the Holder not receiving payment on the due date.

12 Taxation

12.1 No set-off, counterclaim or deductions

All payments in respect of the Notes must be made in full without set-off or counterclaim, and shall be made free and clear of, and without any withholding or deduction in respect of Taxes, unless such withholding or deduction is required by law.

12.2 Withholding tax

Subject to Condition 12.3 ("Withholding tax exemptions"), if a law requires the Issuer to withhold or deduct an amount in respect of Taxes from a payment in respect of the Notes such that the Holder would not actually receive on the due date the full amount provided for under the Notes, then:

- (a) the Issuer agrees to deduct the amount for the Taxes (and any further withholding or deduction applicable to any further payment due under paragraph (b) below); and
- (b) if the amount deducted or withheld is in respect of Taxes imposed by a Relevant Tax Jurisdiction, the amount payable is increased so that, after making the deduction and further deductions applicable to additional amounts payable under this Condition, each Holder is entitled to receive (at the time the payment is due) the amount it would have received if no deductions or withholdings had been required to be made.

12.3 Withholding tax exemptions

The Issuer is not required to pay an Additional Amount under Condition 12.2 (“Withholding tax”) if the obligation to do so arises as a result of any one or more of the following:

- (a) the deduction is required in respect of Taxes by reason of the Holder having some connection with a Relevant Tax Jurisdiction other than the mere holding of the Note or receipt of payment in respect of the Note;
- (b) presented for payment (to the extent that presentation is required) or otherwise arranging to receive payment more than 30 days after the relevant payment date except to the extent that the Holder thereof would have been entitled to an additional amount on presenting the same for payment (to the extent that presentation is required), or otherwise arranging to receive payment, on the thirtieth such day assuming that day to have been a Business Day;
- (c) the deduction is required as a result of Taxes which would not be required to be deducted by the Holder (or the person making a payment on its behalf) if they:
 - (i) provided the Issuer, its agent or any tax authority with their name, address, registration number or similar details or any relevant tax exemption or similar details; or
 - (ii) ensured that any third party complied with any other statutory requirements (such as making a declaration of non-residence or similar claim) for any relevant tax exemption;
- (d) where such withholding or deduction is in respect of any estate, inheritance, gift, sales, transfer, capital gains, excise or personal property Taxes or any similar Taxes, assessments or governmental charges;
- (e) the deduction is required as a result of Taxes by reason of giving effect to the exercise by the relevant resolution authority of any Dutch Bail-in Power;
- (f) presented for payment by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to (to the extent that presentation is required), or otherwise arranging to receive payment through, another paying agent in a Member State of the European Union;
- (g) to, or to a third party on behalf of an Australian resident Holder or a non-resident Holder carrying on business in Australia at or through a permanent establishment of the non-resident in Australia, if that Holder has not supplied an appropriate tax file number an Australian business number or other exemption details; or
- (f) in any other circumstances specified in any applicable Pricing Supplement.

Notwithstanding any other provision in these Conditions, if the Issuer, or any other person through whom payments on the Notes are made, is required to withhold or deduct amounts under or in connection with, or in order to ensure compliance with FATCA, the Issuer shall be entitled to make such withholding or deduction and shall have no obligation to gross up any

payment under these Conditions or to pay any Additional Amount or other amount for such withholding or deduction.

13 Time limit for claims

A claim against the Issuer for a payment under a Note is void unless made within ten years (in the case of principal) or five years (in the case of interest and other amounts) from the date on which payment first became due.

14 Events of Default

14.1 Events of Default

Unless otherwise specified in the Conditions, if any of the following events occurs and is continuing (each an “**Event of Default**”), such Event of Default shall, subject to Condition 14.2 (“Consequences of an Event of Default”), be an acceleration event in relation to the Notes of any Series, namely:

- (a) if default by the Issuer is made for more than 14 days in the payment of any interest or principal due in respect of the Notes;
- (b) if the Issuer fails to perform or observe any of its other obligations under the Notes of a Series and such failure has continued for a period of 30 days next following the service on the Issuer of a notice requiring the same to be remedied;
- (c) any other loan or debt of the Issuer or a Material Subsidiary, in each case having an outstanding aggregate principal amount of at least U.S.\$7,500,000 (or its equivalent in any other currency or currencies), shall become due and payable prior to the stated maturity thereof following a default or any security therefore becomes enforceable or the Issuer or a Material Subsidiary fails to make repayment of any such loan or debt at the maturity thereof or at the expiration of any grace period originally applicable thereto or any guarantee of any loan, debt or other moneys given by the Issuer or a Material Subsidiary shall not be honoured when due and called upon;
- (d) any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer or any of its Material Subsidiaries except either:
 - (i) for the purposes of reorganisation on terms approved by an Extraordinary Resolution of the holders of Notes;
 - (ii) in the case of a Material Subsidiary, a solvent winding up where all (or substantially all) of the assets of such Material Subsidiary are vested in the Issuer or another Material Subsidiary; or
 - (iii) in the case of the Issuer in connection with a reorganisation under which the continuing entity effectively assumes all the rights and obligations of the Issuer;
- (e) the Issuer or any of its Material Subsidiaries is or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law in its jurisdiction of incorporation or is declared bankrupt, is granted a suspension of payments (*surséance van betaling*);
- (f) the Issuer or any of its Material Subsidiaries ceases or threatens to cease to carry on the whole or a substantial part of its business;
- (g) the Issuer or any of its Material Subsidiaries stops or threatens to stop payment of, or is unable to, or admits inability to, pay its debts (or any class of its debts) as they fall due;

- (h)
- (i) proceedings are initiated against the Issuer or any of its Material Subsidiaries under any applicable liquidation, insolvency, composition, reorganisation or other similar laws;
 - (ii) an application is made for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed in relation to the Issuer or any of its Material Subsidiaries or, as the case may be, in relation to the whole or a material part of the undertaking or assets of any of them;
 - (iii) an encumbrancer takes possession of the whole or a material part of the undertaking or assets of the Issuer or any of its Material Subsidiaries; or
 - (iv) a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued or put in force against the whole or a material part of the undertaking or assets of the Issuer or any of its Material Subsidiaries,
- and in any case (with the exception of paragraph (ii)) is not discharged within 30 days; or
- (i) if the Issuer or any of its Material Subsidiaries initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors).

For the avoidance of doubt, the exercise of any Dutch Bail-in Power does not constitute an Event of Default.

14.2 Consequences of an Event of Default

If an Event of Default occurs and is continuing in relation to the Notes, then any Holder may, by written notice to the Issuer at the Specified Office of the Registrar, effective upon the date of receipt thereof by the Registrar, declare that the Notes held by that Holder are, and they shall thereupon become, immediately due and repayable, at their Redemption Amount, together with accrued interest (if any) to the date of repayment, without any presentment, demand, protest or any declaration or other act on the part of the Holders or the Registrar.

14.3 Notification

If an Event of Default occurs, the Issuer must promptly after becoming aware of it notify the Registrar, the Holders, each other Agent and any stock exchange or other relevant authority on which the Notes are listed of the occurrence of the Event of Default.

15 Agents

15.1 Role of Agents

In acting under an Agency Agreement, each Agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any Holder except that, any funds received by an applicable Agent may, pending their application in accordance with the relevant Agency Agreement, be held by such Agent on trust for the benefit of the persons entitled to them.

15.2 Appointment and replacement of Agents

Each initial Agent for a Series of Notes is specified in the Pricing Supplement. Subject to Condition 15.4 (“Required Agents”), the Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor.

15.3 Change of Agent

Notice of any change of an Agent or its Specified Office must promptly be given to the Holders by the Issuer or the Agent on its behalf.

15.4 Required Agents

The Issuer must, in respect of each Series of Notes:

- (a) at all times maintain a Registrar; and
- (b) if a Calculation Agent is specified in the Pricing Supplement, at all times maintain a Calculation Agent.

15.5 Role of Agents and the Bail-in Power

Each Holder:

- (a) expressly waives any and all claims against each Agent for, and agrees not to initiate a suit against an Agent in respect of, and agrees that no Agent shall be liable for, any action that an Agent takes, or abstains from taking, in either case in accordance with an exercise of any Bail-in Power by the relevant resolution authority with respect to the Notes;
- (b) acknowledges and agrees that no Agent shall be under any duty to determine, monitor or report on whether there has been an exercise of any Bail-in Power by the relevant resolution authority or to determine or calculate, or verify any determination or calculation of, or relating to, an exercise of any Bail-in Power; and
- (c) shall be deemed to have authorised, directed and requested each Agent, as applicable, to take any and all necessary action to give effect to the exercise of any Bail-in Power by the relevant resolution authority without any further action or direction on the part of a Holder.

16 Meetings of Holders

The Meetings Provisions contain provisions (which have effect as if incorporated in these Conditions) for convening meetings of the Holders of any Series to consider any matter affecting their interests, including any variation of these Conditions.

17 Variation

17.1 Variation with consent

Unless Condition 17.2 (“Variation without consent”) applies, any Condition may be varied by the Issuer with prior approval from the Holders by Extraordinary Resolution in accordance with the Meetings Provisions.

17.2 Variation without consent

Any Condition may be amended by the Issuer without the consent of the Holders if the amendment:

- (a) is of a formal, minor or technical nature;
- (b) is made to correct a manifest or proven error;
- (c) is made to cure any ambiguity or correct or supplement any defective or inconsistent provision and is not materially prejudicial to the interests of the Holders;
- (d) is to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated; or
- (e) only applies to Notes issued after the date of amendment.

18 Further issues

The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same Conditions as the Notes of any Series in all respects (or in all respects except for the Issue Date and the date for the first payment of interest) so as to form a single series with the Notes of that Series.

19 Notices**19.1 Notices to Holders**

All notices and other communications to the Holders must be in writing and must be left at the address of or sent by prepaid post (airmail, if appropriate) to or the address of the Holder (as shown in the Register at the close of business on the day which is three Business Days before the date of the notice or communication).

They may also be:

- (a) in the case of Australian Notes, given by an advertisement published in the Australian Financial Review, The Australian (or an alternative broadcast newspaper of general circulation in Australia);
- (b) in the case of New Zealand Notes, given by an advertisement published in the New Zealand Herald (or an alternative broadcast newspaper of general circulation in New Zealand); or
- (c) if the Pricing Supplement specifies an additional or alternate newspaper, given by an advertisement published in that newspaper.

19.2 Notices to the Issuer and the Agents

All notices and other communications to the Issuer or an Agent must be in writing and may be left at the address of, or sent by prepaid post (airmail if appropriate) to its respective Specified Office.

19.3 When effective

All notices and other communications take effect from the time they are received unless a later time is specified in them.

19.4 Deemed receipt - publication in newspaper

If published in a newspaper, a notice or other communication is taken to be received on the first date that publication has been made in all the required newspapers.

19.5 Deemed receipt - postal

If sent by post a notice or other communication is taken to be received five days after posting.

20 Governing law and service of process

20.1 Governing law

Notes are governed by the law in force in New South Wales, Australia.

20.2 Jurisdiction

The Issuer submits, and each Holder is taken to have submitted, irrevocably and unconditionally to the non-exclusive jurisdiction of the courts of New South Wales and courts of appeal from them. The Issuer waives any right it has to object to a suit, action or proceedings ("**Proceedings**") being brought in those courts of New South Wales including by claiming that the Proceedings been bought in an inconvenient forum or that those courts do not have jurisdiction.

20.3 Serving documents

Without preventing any other method of service, any document in any Proceedings may be served on the Issuer or a Holder by being delivered or left at their registered office or principal place of business.

20.4 Agent for service of process

The Issuer appoints Dabserv Corporate Services Pty Ltd (ABN 73 001 824 111) of Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000, as its agent to receive any document referred to in Condition 20.3 ("Serving documents"). If for any reason that person ceases to be able to act as such, the Issuer will immediately appoint another person with an office located in New South Wales to act as its agent to receive any such document and will promptly notify the Registrar and the Holders of such appointment.

Form of Pricing Supplement

The Pricing Supplement to be issued in respect of each Tranche of Notes will be substantially in the form set out below.

Series No.: [●]

Tranche No.: [●]



**NEDERLANDSE FINANCIERINGS-MAATSCHAPPIJ VOOR
ONTWIKKELINGSLANDEN N.V.**
("Issuer")

**A\$[●]
Australian and New Zealand Note Issuance Programme**

Issue of
**[A\$/NZ\$][Aggregate Principal Amount of Notes]
[Title of Notes] due [●] ("Notes")**

The date of this Pricing Supplement is [●].

This Pricing Supplement (as referred to in the Information Memorandum dated [●] ("**Information Memorandum**") in relation to the above Programme) relates to the Tranche of Notes referred to above. It is supplementary to, and should be read in conjunction with the terms and conditions of the Notes contained in the Information Memorandum ("**Conditions**") and the Note Deed Poll dated [●] made by the Issuer.

Unless otherwise indicated, terms defined in the Conditions have the same meaning in this Pricing Supplement.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

The Issuer is neither a bank nor an authorised deposit-taking institution which is authorised under the Banking Act 1959 of Australia. The Issuer is not a registered bank under the Reserve Bank of New Zealand Act 1989 of New Zealand or otherwise regulated or supervised by the Reserve Bank of New Zealand. The Notes are not the obligations of the Australian Government or the New Zealand Government and, in particular, are not guaranteed by the Commonwealth of Australia nor Her Majesty the Queen in right of New Zealand.

The particulars to be specified in relation to the Tranche of Notes referred to above are as follows:

1	Issuer	:	Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.
2	Type of Note	:	[Fixed Rate / Floating Rate / Zero Coupon / <i>specify other</i>]
3	Dutch Bail-in Power	:	As set out more fully in Condition 4.3 (“Dutch Bail-in Power”), by subscribing or otherwise acquiring the Notes, the Holders shall be bound by the exercise of any Bail-in Power by the relevant resolution authority. See also the section of the Information Memorandum entitled “Dutch Bail-in Power” on pages [16 to 18] of the Information Memorandum.
4	Method of distribution	:	[Private / Syndicated] Issue
5	Lead Manager[s]	:	[<i>Specify</i>]
6	Dealer[s]	:	[<i>Specify</i>]
7	Registrar	:	[[•] (ABN [•]) / <i>specify other</i>]
8	Issuing and Paying Agent	:	[[•] (ABN [•]) / <i>specify other</i>]
9	Calculation Agent	:	[<i>Specify</i>]
10	Series particulars (Fungibility with other Tranches)	:	[Not applicable / <i>specify if Tranche is to form a single Series with an existing Tranche or Series, specify date on which all Notes of the Series become fungible (if no specific future date, specify the Issue Date)</i>]
11	Principal amount of Tranche	:	[<i>Specify</i>]
	Aggregate Principal Amount of Series	:	[<i>Specify</i>]
12	Issue Date	:	[<i>Specify</i>]
13	Issue Price	:	[<i>Specify</i>]
14	Currency	:	[A\$ / NZ\$ / <i>specify other</i>]
15	Denomination[(s)]	:	[<i>Specify</i>]
16	Maturity Date	:	[<i>Specify (in the case of an amortising Notes, insert the date on which the last instalment of principal is payable)</i>]
17	Record Date	:	[As per the Conditions / <i>specify other</i>]
18	Redemption Amount	:	[<i>Specify</i>]
19	Condition 6 (Fixed Rate Notes) applies	:	[Yes / No] [If “No”, delete following Fixed Rate provisions]
	Fixed Coupon Amount	:	[<i>Specify</i>]

	Interest Rate	:	[Specify]
	Interest Commencement Date	:	[Issue Date / specify]
	Interest Payment Dates	:	[Specify]
	Interest Period	:	[Specify]
	Business Day Convention	:	[Following Business Day Convention / Preceding Business Day Convention / No Adjustment / specify other]
	Day Count Fraction	:	[Specify]
20	Condition 7 (Floating Rate Notes) applies	:	[Yes / No] [If "No", delete following Floating Rate provisions]
	Interest Commencement Date	:	[Issue Date / specify]
	Interest Rate	:	[Specify method of calculation]
	Interest Payment Dates	:	[Specify dates or the Specified Period]
	Interest Period	:	[Specify]
	Business Day Convention	:	[Floating Rate Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention / No Adjustment / specify other]
	Margin	:	[Specify (state if positive or negative)]
	Day Count Fraction	:	[Specify]
	Fallback Interest Rate	:	[Specify / Not applicable]
	Interest Rate Determination	:	[ISDA Determination / Screen Rate Determination / BBSW Rate Determination / BKBM Rate Determination]
	<i>[If ISDA Determination applies, specify the following (otherwise delete provisions)]</i>		
	Floating Rate Option	:	[Specify]
	Designated Maturity	:	[Specify]
	Reset Date	:	[Specify]
	<i>[If Screen Rate Determination applies, specify the following (otherwise delete provisions)]</i>		
	Relevant Screen Page	:	[Specify]
	Relevant Time	:	[Specify]

Reference Rate	:	[Specify]
Reference Banks	:	[Specify]
Interest Determination Date	:	[Specify]
<i>[If BBSW Rate Determination or BKBM Rate Determination applies, specify the following (otherwise delete provision)]</i>		
[BBSW Rate]	:	[As per Condition 7.6 / specify any variation to the Conditions]
[BKBM Rate]	:	[As per Condition 7.7 / specify any variation to the Conditions]
Maximum and Minimum Interest Rate	:	[Specify / Not applicable]
Default Rate	:	[Specify (In the case of interest-bearing Notes, specify rate of interest applying to overdue amounts (if different to usual Interest Rate))]
Rounding	:	[As per Condition 8.6 / specify]
Relevant Financial Centre	:	[Applicable / Not applicable]
Linear Interpolation	:	[Applicable / Not applicable] <i>[If applicable, provide details]</i>
21 Amortisation Yield	:	[Specify (In the case of Zero Coupon Notes, specify the Reference Price and Accrual Yield)]
22 Instalment Details	:	[Specify details of Instalments including Instalment Amount and Instalment Dates / Not applicable]
23 Details of Partly Paid Notes	:	[Specify details / Not applicable]
24 Condition 9.4 (Holder put) applies	:	[Yes, the Notes redeemable before their Maturity Date at the option of the Holders / No] <i>[If "No", delete following Holder put provisions]</i>
Early Redemption Date(s) (Put)	:	[Specify]
Minimum / maximum notice period for exercise of Holder put	:	[Specify]
Relevant conditions to exercise of Holder put	:	[Specify]
Redemption Amount	:	[Specify]

- 25 Condition 9.5 (Issuer call) applies : [Yes, the Notes redeemable before their Maturity Date at the option of the Issuer / No]
 [If “No”, delete following Issuer call provisions]
- Early Redemption Date(s) (Call) : [Specify]
- Minimum / maximum notice period for exercise of Issuer call : [Specify]
- Relevant conditions to exercise of Issuer call : [Specify]
- Redemption Amount : [Specify]
- 26 Minimum / maximum notice period for early redemption for taxation purposes : [As per Condition [•]/ specify]
- 27 Clearing System[(s)] : [Austraclear System / NZClear System / specify others]
- 28 ISIN : [Specify]
- 29 [Common Code] : [Specify]
- 30 [Selling Restrictions] : [Specify any variation to the selling restrictions set out in the Information Memorandum]
- 31 Listing : [Not applicable / “Australian Securities Exchange” / specify details of other relevant stock or securities exchange]
- 32 Australian Notes / New Zealand Notes / other : The Notes are [Australian Notes / New Zealand Notes / other]
- 33 [Credit ratings:] : [Specify]

A credit rating is not a recommendation to buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

Credit ratings are for distribution only to a person (a) who is not a “retail client” within the meaning of section 761G of the Australian Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or 7.9 of the Australian Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and anyone who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.

34 [Additional Information] : [Specify]

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

CONFIRMED

For and on behalf of

Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.

By:

By:

Name:

Name:

Title:

Title:

Date:

Selling Restrictions

Under the Amended and Restated Dealer Agreement dated on or about 26 April 2016 between the Issuer, the Arranger and the Dealers (as further amended and supplemented from time to time, "Dealer Agreement"), and subject to the Conditions contained in this Information Memorandum, the Notes will be offered by the Issuer through the Dealers. The Issuer has the sole right to accept any offer to purchase Notes and may reject that offer in whole or (subject to the terms of the offer) in part. Each Dealer has the right to reject any offer to purchase Notes made to it in whole or (subject to the terms of such offer) in part. The Issuer is entitled under the Dealer Agreement to appoint one or more Dealers as a dealer for a particular Tranche of Notes or the Programme generally.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, to comply with any applicable law or directive in any jurisdiction in which it may subscribe for, offer, sell or transfer Notes and to not, directly or indirectly, subscribe for, offer, sell or transfer Notes or distribute any Information Memorandum or other offering material in relation to the Notes, in any jurisdiction, except in accordance with these selling restrictions, any additional restrictions which are set out in the relevant Pricing Supplement and any applicable law or directive applicable in that jurisdiction.

None of the Issuer or any Dealer has represented that any Notes may at any time lawfully be offered or sold in compliance with any applicable registration or other requirements in any jurisdiction, or in accordance with any available exemption, or assumes any responsibility for facilitating that sale.

The following selling restrictions apply:

1. General

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 Information Memorandum or any other offering material in any country or jurisdiction where action for that purpose is required.

Persons into whose hands this Information Memorandum comes are required by the Issuer and Dealers to comply with all applicable laws and directives in each country or jurisdiction in which they purchase, offer, sell, resell, reoffer or deliver Notes or have in their possession or distribute or publish this Information Memorandum or other offering material and to obtain any authorisation, consent, approval or permission required by them for the purchase, offer, sale, reoffer, resale or delivery by them of any Notes under any applicable law or directive in force in any jurisdiction to which they are subject or in which they make such purchases, offers, sales, reoffers, resales or deliveries, in all cases at their own expense, and none of the Issuer nor any Dealer has responsibility for such matters.

In accordance with the above, any Notes purchased by any person which it wishes to offer for sale or resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further prospectus or corresponding document relating to the Notes in such jurisdiction.

In particular, there are restrictions on the distribution of this Information Memorandum and the offer or sale of Notes in Australia, New Zealand, the European Economic Area, the Netherlands, the United Kingdom, the United States of America, Japan, Hong Kong, and Singapore as set out below.

In these selling restrictions, "**directive**" includes a treaty, official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply.

2. Australia

No prospectus or other disclosure document (as defined in the Australian Corporations Act) in relation to the Programme or any Notes has been, or will be, lodged with ASIC. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that unless the relevant Pricing Supplement (or another supplement to any Information Memorandum) otherwise provides, it:

- (a) has not made or invited, and will not make or invite, an offer of the Notes for issue or sale 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, any Information Memorandum or any other offering material or advertisement relating to any Notes in Australia,

unless:

- (i) the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in an alternative currency, in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Australian Corporations Act;
- (ii) the offer or invitation does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Australian Corporations Act;
- (iii) such action complies with:
 - (A) Banking (Exemption) Order No. 82 dated 23 September 1996 promulgated by the Assistant Treasurer of Australia as if it applied to the Issuer *mutatis mutandis* (and which requires all offers and transfers to be for a minimum aggregate principal amount of at least A\$500,000); and
 - (B) any other applicable laws or directives in Australia; and
- (iv) such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

3. New Zealand

This Programme is a wholesale programme. No action has been taken to permit the Notes to be offered or sold to any retail investor, or otherwise under any “regulated offer”, in terms of the Financial Markets Conduct Act 2013 of New Zealand (“**NZ FMCA**”). In particular, no product disclosure statement under the NZ FMCA has been prepared or lodged in New Zealand in relation to the Notes.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, any Notes in New Zealand, other than:

- (i) to persons who are “wholesale investors” within the meaning of clause 3(2)(a), (c) or (d) of Schedule 1 of the NZ FMCA, being persons who fall within one or more of the following categories of “wholesale investor”:
 - (A) an “investment business” within the meaning of clause 37 of Schedule 1 of the NZ FMCA;
 - (B) “large” within the meaning of clause 39 of Schedule 1 of the NZ FMCA; or

- (C) a “government agency” within the meaning of clause 40 of Schedule 1 of the NZ FMCA; or
- (ii) in other circumstances where there is no contravention of the NZ FMCA (provided that Notes may not be offered, issued or transferred to any person that is a “wholesale investor” under the NZ FMCA solely because that person is an “eligible investor” (within the meaning of clause 41 of Schedule 1 of the NZ FMCA) or meets the “investment activity” criteria specified in clause 38 of Schedule 1 of the NZ FMCA).

In addition, each holder of Notes is deemed to represent and agree that it will not distribute this Information Memorandum, and Supplement or any other advertisement (as defined in the NZ FMCA) in relation to any offer of the Notes in New Zealand other than to such persons as referred to above.

4. European Economic Area

In relation to each Member State of the European Economic Area (the “**EEA**”) which has implemented the Prospectus Directive (each a “**Relevant Member State**”), each Dealer has represented and agreed, and each further the Dealer appointed under the Programme and each other Dealer will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”), it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Information Memorandum as completed by the Pricing Supplement 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) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) as permitted under the Prospective Directive subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) 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 (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “**Prospectus Directive**” means Directive 2003/71/EC (as amended, including Directive 2010/73/EU), and includes any relevant implementing measure in each Relevant Member State.

5. Netherlands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which Directive 2003/71/EC (the “Prospectus Directive”) is implemented in the Netherlands (the “Relevant Implementation Date”) it has not made and will not make an offer

of Notes to the public in the Netherlands which are subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in the Netherlands:

- (a) following the date of publication of an information memorandum in relation to such Notes which has been approved by the competent authority in the Netherlands or, where appropriate, approved in another Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”) and notified to the competent authority in the Netherlands in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such information memorandum or Pricing Supplement, as applicable; and
- (b) at any time to any legal entity which is a qualified investor (gekwalificeerde belegger) as defined in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*);

provided that no such offer of Notes referred to in (b) 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.

In addition and without prejudice to the relevant restrictions set out above, Zero Coupon Notes (as defined below) in definitive form may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam N.V., admitted in a function on one or more markets or systems held or operated by Euronext Amsterdam N.V., in accordance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations.

No such mediation is required (a) in respect of the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) in respect of the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) the transfer and acceptance of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in the Zero Coupon Note in global form) of any particular Tranches or Series are issued outside the Netherlands and are not distributed within the Netherlands in the course of their initial distribution or immediately thereafter.

In the event that the Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with and, in addition thereto, if such Zero Coupon Notes in definitive form do not qualify as commercial paper traded between professional borrowers and lenders within the meaning of the agreement of 2 February 1987, attached to the Royal Decree of 11 March 1987, (*Staatscourant 129*) (as amended), each transfer and acceptance should be recorded in a transaction note, including the name and address of each party to the transaction, the nature of the transaction and the details and serial numbers of such Notes. For the purposes of this paragraph.

As used above, “**Zero Coupon Notes**” are Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

6. United Kingdom

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

- (a) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (“**FSMA**”) with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom; and
- (b) 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 such Notes in circumstances in which section 21(1) of the FSMA would not if the Issuer was not an authorized person apply to the Issuer.

7. **United States of America**

Regulation S; Category 2

The Notes have not been and will not be registered under the US Securities Act.

Terms used in the following four paragraphs have the meanings given to them by Regulation S.

The Notes may not be offered, sold, delivered or transferred within the United States of America, its territories or possessions or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S or in transactions exempt from the registration requirements of the US Securities Act.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that, except as permitted under the Dealer Agreement, it will not offer, sell or deliver the Notes:

- (a) as part of their distribution at any time; and
- (b) otherwise until 40 days after completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the Lead Manager,

within the United States of America or to, or for the account or benefit of, U.S. persons.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will have sent to each distributor to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States of America or to, or for the account or benefit of, U.S. persons.

Until 40 days after the completion of the distribution of all Notes of the Tranche of which those Notes are a part, an offer or sale of Notes within the United States of America by any Dealer or other distributor (whether or not participating in the offering) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than in accordance with an applicable exemption from registration under the US Securities Act.

8. **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Act No. 25 of 1948) (“**Financial Instruments and Exchange Law**”) and, accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, any Notes directly or indirectly in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of

Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws and ministerial guidelines of Japan.

9. Hong Kong

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

- (a) the Notes have not been authorised by the Hong Kong Securities and Futures Commission;
- (b) it has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Notes other than
 - (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) (as amended) of Hong Kong (“SFO”) and any rules made under the SFO, or
 - (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) (as amended) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (c) unless it is a person permitted to do so under the applicable securities laws of Hong Kong, 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, (in each case, whether in Hong Kong or elsewhere) any advertisement, invitation, or other offering material or other document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in 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” within the meaning of the SFO and any rules made under the SFO.

10. Singapore

This Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (“MAS”) under the Securities and Futures Act (Cap. 289) (as amended) of Singapore (“SFA”).

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell the Notes, nor make the Notes the subject of an invitation for subscription or purchase, nor will it circulate or distribute this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Notes, whether directly or indirectly, to persons in Singapore other than:

- (a) to an institutional investor under Section 274 of the SFA;
- (b) to a relevant person pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or
- (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, to notify (whether through the distribution of this Information Memorandum or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes or otherwise) each of the following relevant persons specified in Section 275 of the SFA which has subscribed or purchased Notes from and through that Dealer, namely a person which is:

- (1) 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
- (2) 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,

that 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 under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the Securities and Futures Act, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4) of the Securities and Futures Act;
- (ii) (in the case of a corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA or (in the case of a trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;
- (iii) where no consideration is or will be given for the transfer;
- (iv) where the transfer is by operation of law;
- (v) as specified in Section 276(7) of the SFA; or
- (vi) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

11. Variation

These selling restrictions may be updated from time to time. Any change may be set out in a Pricing Supplement or in another supplement to this Information Memorandum.

Taxation

Australian taxation

The following is a summary of the Australian taxation treatment, at the date of this Information Memorandum, of the Notes to be issued by the Issuer under the Programme and certain other matters. It is a general guide and should be treated with appropriate caution. Prospective holders of Notes who are in any doubt as to their tax position should consult their professional advisers on the tax implications of an investment in the Notes for their particular circumstances.

1. Interest withholding tax

So long as the Issuer continues to be a non-resident of Australia and the Notes issued by it are not attributable to a permanent establishment of the Issuer in Australia, payments of principal and interest made under Notes issued by it should not be subject to Australian interest withholding tax ("**Australian IWT**").

2. Other tax matters

Under Australian laws as presently in effect:

- (a) *death duties* - no Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death;
- (b) *stamp duty and other taxes* - no *ad valorem* stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Notes;
- (c) *other withholding taxes on payments in respect of Notes*- so long as the Issuer continues to be a non-resident of Australia and does not carry on business at or through a permanent establishment in Australia, the tax file number requirements of Part VA of the Australian Income Tax Assessment Act 1936 and section 12-140 of Schedule 1 to the Taxation Administration Act 1953 of Australia ("**Taxation Administration Act**") should not apply in connection with Notes issued by the Issuer;
- (d) *supply withholding tax* - payments in respect of the Notes can be made free and clear of the "supply withholding tax" imposed under section 12-190 of Schedule 1 to the Taxation Administration Act; and
- (e) *goods and services tax ("GST")* - neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply or (in the case of an offshore subscriber), a GST-free supply. Furthermore, neither the payment of principal or interest by the Issuer, nor the disposal of the Notes, would give rise to any GST liability in Australia.

New Zealand Taxation

The following is a summary of the New Zealand taxation treatment at the date of this Information Memorandum of the Notes to be issued by the Issuer under the Programme and certain other matters. It is a general guide and should be treated with appropriate caution. Prospective holders of Notes who are in any doubt as to their tax position should consult their professional advisers on the tax implications of an investment in the Notes for their particular circumstances.

1. Resident withholding tax

Under the New Zealand Income Tax Act 2007 (“**New Zealand Tax Act**”), the resident withholding tax (“**RWT**”) rules potentially apply to interest paid to New Zealand residents (or non-residents engaged in business in New Zealand through a fixed establishment, such as a branch, in New Zealand). Any payment of interest made by the Issuer (through the applicable Issue and Paying Agent) on New Zealand Notes to a New Zealand resident (or such non-resident with a fixed establishment in New Zealand) will be “resident passive income” subject to the RWT rules.

Under the New Zealand Tax Act, certain categories of persons can apply for certificates of exemption from RWT. Interest paid to holders of valid certificates of exemption is not subject to the RWT rules. In broad terms, for the Issuer to be satisfied that this exemption applies to the payment of interest on a New Zealand Note:

- (a) the Issuer must be satisfied that the holder of the New Zealand Note is a registered bank under the Reserve Bank of New Zealand Act 1989, a portfolio investment entity or one of certain other entities listed in section 32E(2)(a) to (h) of the Tax Administration Act 1994; or
- (b) the Issuer must have seen a copy of a certificate of exemption issued to the holder.

If the Issuer is not satisfied that the holder has a valid certificate of exemption, the Issuer will deduct RWT from the payment of interest on the New Zealand Notes. The rate of RWT deducted from the interest will normally be 28 per cent. if the holder is a company or unit trust. Holders must furnish their tax file numbers to the Issuer.

Interest paid on debt instruments other than New Zealand Notes should not be subject to the RWT rules.

2. Non-resident withholding tax

The Issuer must deduct New Zealand non-resident withholding tax (“**NRWT**”) from interest paid on New Zealand Notes in certain circumstances. This will be the case where the holder of a New Zealand Note is not:

- (a) tax resident in New Zealand; nor
- (b) engaged in business in New Zealand through a fixed establishment in New Zealand; nor
- (c) a resident of one of the following countries (which have relevant double taxation agreements (“**DTAs**”) in effect with New Zealand at the date of the Information Memorandum): Australia; Austria; Belgium; Canada; Chile; China; the Czech Republic; Denmark; Finland; France; Germany; Hong Kong; India; Indonesia; Ireland; Japan Mexico; Norway; Papua New Guinea; Poland Republic of Korea; Russia; South Africa; Spain; Singapore; Switzerland; Taiwan; Thailand; the Netherlands; The Philippines; Turkey; United Arab Emirates; the United Kingdom and the United States of America (“**Relevant DTA Countries**”),

A holder of a New Zealand Note who is neither tax resident in New Zealand nor engaged in business in New Zealand through a fixed establishment in New Zealand and who is resident

in a Relevant DTA Country must provide the Issuer with such evidence of the holder's residence in a Relevant DTA Country and entitlement to benefit under that DTA as the Issuer may require. If the Issuer is not satisfied accordingly, the Issuer will deduct NRWT from the payment of interest on the New Zealand Notes.

Interest paid on debt instruments other than New Zealand Notes should not be subject to the NRWT rules.

If NRWT is deducted from interest on any Notes, that NRWT is a final tax applied by New Zealand provided the holder is not associated with the Issuer. Where the NRWT rules apply, interest is excluded from being resident passive income and RWT does not have to be deducted.

3. Financial arrangement rules

New Zealand resident holders of Notes (or non-residents who hold Notes for the purposes of a business carried on through a fixed establishment, such as a branch, in New Zealand) will be subject to the financial arrangements rules in Part EW of the New Zealand Tax Act with respect to their investment in the Notes. This is irrespective of the New Zealand withholding tax treatment of interest in respect of those Notes. Foreign withholding tax deducted from interest paid to such a holder may reduce the amount of New Zealand income tax payable on income recognised in respect of the relevant Notes under the financial arrangements rules.

Holders of Notes who are not resident in New Zealand for tax purposes (or who do not hold their Notes for the purposes of a business carried on through a fixed establishment in New Zealand) will not be subject to the financial arrangements rules. Non-resident holders of New Zealand Notes may be (but are unlikely to be) subject to New Zealand income tax on any other gains derived from holding the New Zealand Notes, such as gains on sale.

4. Other tax matters

The Issuer has been advised that under New Zealand laws as presently in effect:

- (a) as New Zealand does not impose any stamp duty or similar issue or registration tax (other than "approved issuer levy", which is not relevant here) and does not impose death duties, no New Zealand stamp duty or death duty will apply to any Note or any holder of a New Zealand Note; and
- (b) New Zealand goods and services tax will not apply in respect of any payments made on a New Zealand Note.

The NZClear System will only pay interest on securities lodged in the NZClear System in gross.

Dutch Taxation

The following is a general summary of certain material Netherlands tax consequences of the acquisition, holding and disposal of the Notes. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, it should be treated with corresponding caution. Holders of Notes or prospective holders of Notes should consult with their own tax advisors with regard to the tax consequences of investing in the Notes in their particular circumstances. The discussion below is included for general information purposes only.

Except as otherwise indicated, this summary only addresses Netherlands national tax legislation and published regulations, whereby the Netherlands means the part of the Kingdom of the Netherlands located in Europe, as in effect on the date hereof, and as interpreted in published case law until this

date, without prejudice to any amendment introduced at a later date and implemented with or without retroactive effect.

1. Withholding tax

All payments of principal and/or interest made by the Issuer under the Notes may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, unless the Notes qualify as equity of the Issuer for Netherlands tax purposes.

2. Taxes on income and capital gains

The summary in this section does not describe the Netherlands tax consequences for:

- (i) holders of Notes if such holders, and in the case of individuals, their partner or certain of their relatives by blood or marriage in the direct line (including foster children) have a substantial interest or deemed substantial interest in the Issuer under the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder, alone or, in case of individuals, together with his /her partner (as defined in the Netherlands Income Tax Act 2001), directly or indirectly, holds (i) an interest of 5% or more of the total issued and outstanding capital of that company or of 5% or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) holds rights to acquire, directly or indirectly, such interest; or (iii) holds certain profit sharing rights in that company that relate to 5% or more of the company's annual profits and/or to 5% or more of the company's liquidation proceeds. A deemed substantial interest may arise if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;
- (ii) pension funds, investment institutions (*fiscale beleggingsinstellingen*), exempt investment institutions (*vrijgestelde beleggingsinstellingen*) (as defined in the Netherlands Corporate Income Tax Act 1969 (*Wet op de Vennootschapsbelasting 1969*) ("**Netherlands Corporate Income Tax Act**") and other entities that are, in whole or in part, not subject to or exempt from Netherlands corporate income tax; and
- (iii) holders of Notes who are individuals for whom the Notes or any benefit derived from the Notes are a remuneration or deemed to be a remuneration for activities performed by such holders or certain individuals related to such holders (as defined in the Netherlands Income Tax Act 2001).

Netherlands Resident Entities

Generally speaking, if the holder of a Note is an entity that is a resident or deemed to be resident of the Netherlands for Netherlands corporate income tax purposes ("**Netherlands Resident Entity**"), any payment under the Notes or any gain or loss realised on the disposal or deemed disposal of the Notes is subject to Netherlands corporate income tax at a rate of 20% with respect to taxable profits up to €200,000 and 25% with respect to taxable profits in excess of that amount.

Netherlands Resident Individuals

If a holder of a Note is an individual, resident or deemed to be resident of the Netherlands for Netherlands income tax purposes ("**Netherlands Resident Individual**"), any payment under the Notes or any gain or loss realised on the disposal or deemed disposal of the Notes is taxable at the progressive income tax rates (with a maximum of 52%), if:

- (i) the Notes are attributable to an enterprise from which the holder of the Notes derives a share of the profit, whether as an entrepreneur or as a person who has a co-

entitlement to the net worth (*medegerechtigd tot het vermogen*) of such enterprise, without being a shareholder, as defined in The Netherlands Income Tax Act 2001; or

- (ii) the holder of a Note is considered to perform activities with respect to the Notes that go beyond ordinary asset management (*normaal, actief vermogensbeheer*) or derives benefits from the Notes that are taxable as benefits from other activities (*resultaat uit overige werkzaamheden*).

Income from savings and investments

If the above-mentioned conditions (i) and (ii) do not apply to the individual holder of a Note, such holder will be taxed annually on a deemed income of 4% of their net investment assets for the year at an income tax rate of 30%. The net investment assets for the year are the fair market value of the investment assets less the allowable liabilities on 1 January of the relevant calendar year. The Notes are included as investment assets. A tax free allowance may be available. Actual income gains or losses in respect of the Notes are not subject to Netherlands income tax.

A law has been enacted, pursuant to which, beginning on 1 January 2017, the taxation of income from savings and investments will be amended and the deemed income will no longer be fixed at 4%, but instead a variable return between, as currently proposed, 2.9% and 5.5% (depending on the amount of the individual holder's net investment assets for the year) will be applied. Following 2017, the deemed income will be adjusted annually. However, at the request of the Netherlands Parliament the Netherlands Ministry of Finance will also review, in the course of 2016, whether the taxation of income from savings and investments can be based on the actual income and/or gains realised in respect of the Notes instead of a deemed return.

Non-Residents of the Netherlands

A holder of a Note that is neither a Netherlands Resident Entity nor a Netherlands Resident Individual will not be subject to Netherlands taxes on income or capital gains in respect of any payment under the Notes or in respect of any gain or loss realised on the disposal or deemed disposal of the Notes, provided that:

- (i) such holder does not have an interest in an enterprise or deemed enterprise (as defined in the Netherlands Income Tax Act 2001 and the Netherlands Corporate Income Tax Act) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes are attributable; and
- (ii) in the event the holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Notes that go beyond ordinary asset management and does not derive benefits from the Notes that are taxable as benefits from other activities in the Netherlands.

3. Gift and inheritance taxes

Residents of the Netherlands

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the Notes by way of a gift by, or on the death of, a holder of such Notes who is resident or deemed resident of the Netherlands at the time of the gift or his/her death.

Non-residents of the Netherlands

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

- (i) in the case of a gift of a Note by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands; or
- (ii) the transfer is otherwise construed as a gift or inheritance 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 in the Netherlands.

For purposes of Netherlands gift and inheritance taxes, amongst others, a person that holds the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the ten years preceding the date of the gift or their death. Additionally, for purposes of Netherlands gift tax, amongst others, a person not holding the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. Applicable tax treaties may override deemed residency.

4. Value added tax ("VAT")

No Netherlands VAT will be payable by the holders of Notes on (i) any payment in consideration for the issue of the Notes or (ii) the payment of interest or principal by the Issuer under the Notes.

5. Other taxes and duties

No Netherlands registration tax, stamp duty or any other similar documentary tax or duty, other than court fees, will be payable by the holders of Notes in respect of (i) the issue of the Notes or (ii) payment of interest or principal by the Issuer under the Notes.

6. Residency

A holder of Notes will not become, and will not be deemed to be, resident of the Netherlands for Netherlands tax purposes by reason only of the execution, performance, delivery and/or enforcement of the Notes.

7. European Union Directive on Taxation of Savings Income

The EU Council Directive 2003/38/EC on the taxation of savings income (the "**EU Savings Directive**"), which required the automatic exchange of information between EU Member States on private savings income, was repealed by the Council of the European Union on 10 November 2015, effective for all EU Member States as of 1 January 2016, except for Austria (for which the EU Savings Directive will continue to apply until 31 December 2016).

The EU Savings Directive was repealed to prevent overlap between the EU Savings Directive and a new automatic exchange of information regime to be implemented under EU Council Directive 2011/16/EU on administrative cooperation in the field of taxation as amended by EU Council Directive 2014/107/EU. The new regime under EU Council Directive 2011/16/EU (as amended) is in accordance with the global standard for automatic exchange of information published by the Organisation for Economic Co-operation and Development in July 2014. It is generally broader in scope than the EU Savings Directive, although it does not impose withholding taxes. EU Council Directive 2014/107/EU amending EU Council Directive 2011/16/EU entered into force on 1 January 2016.

For a transitional period ending on 31 December 2016, Austria will continue to levy a withholding tax at a rate of currently 35%.

8. Common Reporting Standard

The exchange of information (as mentioned above) is expected to be governed by the broader Common Reporting Standard ("**CRS**"). On 29 October 2014, 51 jurisdictions, including the

Netherlands, signed the multilateral competent authority agreement, which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications. More than 40 jurisdictions, including the Netherlands, have committed to a specific and ambitious timetable leading to the first automatic exchanges in 2017 (early adopters). Under CRS, financial institutions resident in a CRS country would be required to report, according to a due diligence standard, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with tax residency in another CRS country. The standards includes a requirement to look through passive entities to report on the relevant controlling persons.

As of 1 January 2016, CRS and EU Council Directive 2014/107/EU have been implemented in Netherlands law. As a result, the Issuer will be required to comply with identification obligations starting in 2016, with reporting set to begin in 2017. Holders of Notes may be required to provide additional information to the Issuer to enable it to satisfy its identification obligations under the (Netherlands implementation of the) CRS.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the CRS and EU Council Directive 2014/107/EU.

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