

GE  
Artesia Bank

Brochure

Securities services

November 2009



GE imagination at work

# CONTENTS

---

WHO WE ARE	3
MAIN FEATURES and RISKS of SECURITIES	5
GENERAL TERMS and CONDITIONS for SECURITIES SERVICES (AVE 2008)	9
ORDER EXECUTION POLICY	19
INDUCEMENT FEES	23
CONFLICTS OF INTEREST	25
EXPLANATION of RISK PROFILES	27
TERMS AND CONDITIONS ARTESIA BELEGGERSPLUSREKENING	29
GENERAL BANKING CONDITIONS	31
N.V. BEWAARBEDRIJF ARTESIA NEDERLAND RULES regarding the CUSTODY of SECURITIES	39
EXPLANATORY NOTES to the GENERAL BANKING CONDITIONS	43

---

# Who we are

GE Artesia Bank is entered in the Trade Register of the Amsterdam Chamber of Commerce under number 33002527.

GE Artesia Bank is the trade name of Banque Artesia Nederland N.V., a bank registered with De Nederlandsche Bank N.V. (Westende 1, 1017 ZN Amsterdam) and the Authority for the Financial Markets (Vijzelgracht 50, 1017 HS Amsterdam) in compliance with the Financial Supervision Act (WFT). For information on supervision of our bank, please call the Supervision Line of De Nederlandsche Bank N.V. on 0900 – 5200 520 or the Financial Markets Information Line on 0900 – 5400 540.

Our bank is also registered with the Dutch Securities Institute (DSI), as are our securities advisors.

Information available to us relating to you as a client is treated in compliance with the Data Protection Act.

We are a Dutch bank and we generally communicate with our clients in Dutch, but we also communicate in English with clients who require this. If possible, we also supply them with important documents in English.

## **Our services**

We can advise you on banking, investment and many other matters. If you have funds you want to invest, our investment consultants can give you the advice you need. First, we draw up a risk profile for you and define the objectives you want to achieve with your investment portfolio. We then give our investment recommendations on that basis.

## **What do we expect from you?**

You have the right to expect the highest standards of advice and service from us, but we also expect some

things from you. Only then can we provide you with the best possible service.

You must provide accurate information. This is in your own interests. If it is discovered after the event that you provided inaccurate or incomplete information, the advice given by the bank may not be appropriate or may even prove to be detrimental to you as a client. For this reason, it is important that you notify us immediately of any significant change in your financial position and/or personal circumstances, such as births, cohabitation, marriage, divorce, death, change of occupation, significant change in income or change of address.

We expect you to check the documents we send you. If anything is unclear or incorrect, you should call us. We can then explain the details and correct them if necessary.

## **Complaints**

We always aim to do our best, but it may happen that you are dissatisfied with our services. In that case, you should first contact the branch where your account is held. If you are not satisfied with the response by the branch, you can write to the Quality Assurance Department of GE Artesia Bank at P.O. Box 274, 1000 AG Amsterdam.

If you are not satisfied with the way the Quality Assurance Department handles your complaint, you can refer it to an independent complaints commission, the Financial Services Complaints Tribunal (KiFiD), either online ([www.kifid.nl](http://www.kifid.nl)), by telephone in the Netherlands (0900 – 3552 248) or by mail addressed to:

KiFiD  
P.O. Box 93257  
2509 AG The Hague.

If required, our bank's Quality Assurance Department can send you further details.



# Main features and risks of securities

## General

The value of your investments can fluctuate. Results achieved in the past do not provide a reliable indication for the future. All forms of investment involve risks. These risks depend on the investment. An investment may be more or less speculative. Usually, the higher the expected return, the higher the risk.

## Tax aspects

The bank explicitly warns investors that they are liable for all taxes involved in holding, buying or selling securities. Investors are therefore advised to talk to their own tax consultants about their specific circumstances.

## Shares

Shares are investments in a company's share capital. In economic terms, a shareholder can be regarded as an owner of part of the company's venture capital. If the company fails, the value of the shares can therefore fall to zero. Movements in the value of the shares depend primarily on the company's actual and expected operating profits and its dividend policy. Shareholders do not qualify for dividend payments until all other capital providers, such as the company's bondholders, have been paid what they are due.

The risks on an investment in shares can therefore be very varied and very high. The price of shares can fluctuate considerably and can even fall to zero, making the investment worthless.

## Depositary receipts

Depositary receipts are securities that represent the original shares. The shares themselves are usually assigned to a trust office, which issues depositary receipts for them. The trust office is then the legal owner of the shares and the holder of the depositary receipts

is the economic owner. Depositary receipts do not carry all the rights associated with the shares. Often, the voting rights attached to shares are excluded. A distinction can be made between exchangeable, non-exchangeable and partly exchangeable depositary receipts. 'Exchangeable' in this context means exchangeable (by the holder) for the underlying shares. Non-exchangeable depositary receipts can never be exchanged, exchangeable depositary receipts can be exchanged at any time and partly exchangeable depositary receipts can only be exchanged in certain circumstances or subject to certain conditions.

In principle, the risks are the same as those for ordinary shares.

## Bonds

Bonds are debt instruments forming part of a public loan issued by a company (corporate bonds), an institution or a government (government bonds). The institution issuing the bond generally pays a fixed rate of interest until a fixed maturity date. Almost all bonds are redeemable. Non-redeemable bonds are known as 'perpetuals'. Bonds form part of the issuing institution's borrowed capital.

There are special forms of bonds, which differ with regard to the method of interest payment (fixed or variable rates), the redemption method (lump sum or in instalments), the issuing method or special terms and conditions. There are also bonds on which no interest is paid ('zero bonds'), where the return is the difference between the issue price and the redemption price.

Bond investments also entail risk. The price of a bond generally depends primarily on interest rates. Higher market interest rates usually mean lower bond prices, while lower market interest rates are usually reflected in

higher bond prices. The creditworthiness of the issuing institution is another important factor. Does the institution fully meet its interest and repayment commitments to bondholders? If not, or if there is any doubt about its reliability, the price of the bonds can fall sharply.

If the issuing institution fails, the bondholders become unsecured creditors of the issuing institution, unless special security has been negotiated for them or they are subordinated to other creditors (in which case it is known as a 'subordinated' bond loan).

### **Convertible bonds**

Convertible bonds ('convertibles') are bonds that, subject to certain conditions, can be exchanged for shares (usually at the investor's request) during the conversion period at the conversion rate. They are usually converted into equity capital of the company that issues the convertible bonds.

Because convertible bonds have features of both bonds and shares, the information given here on the risks associated with these two types of securities also applies to convertibles.

### **Reverse convertibles**

With a reverse convertible (or 'reverse exchangeable'), the investor does not have the right to exchange the bond for shares when it matures. Instead, the issuing institution can choose whether to redeem the nominal value of the bond in cash or in shares in the institution. If the bond is redeemed in shares, the investor bears the risk that the value will be lower than the nominal value of the reverse convertible. The risks associated with reverse convertibles are therefore the same as with investments in shares.

### **Investment funds**

Investment funds invest the assets of the investors on a collective basis. The investors therefore contract out the management of their investments to a specialised asset manager. Investment funds are usually divided into different investment categories. The main categories are equities funds, bond funds, property funds and mixed funds. Equities funds are often divided into regions (for example Europe, US, Asia or World), themes (such as 'green' funds) or sectors (for example, telecommunications or banking and insurance). Property funds are sometimes also classed as equities funds because the risks on property funds are often largely similar to those on equities funds.

Most investment funds are 'open-ended' funds, which issue and buy back units on a continuous basis. Because

the number of units is variable, the price at which units in an open-ended investment fund are traded will be determined almost exclusively by the fund's net asset value and barely, if at all, by supply and demand. With closed-end investment funds, the number of units in issue is fixed, so supply and demand do influence the price.

Because most equities funds can invest in shares, depositary receipts, warrants and options, the risks associated with these types of securities also apply to equities funds. The risks associated with bonds, convertible bonds and (interest) options will likewise apply to most bond funds. Investment funds have a broad spread, however, so individual risks will have less of an effect. The features of and specific risks associated with shares, depositary receipts, bonds, convertible bonds, warrants and options are described above and below.

The broader the spread over sectors, regions and categories, the lower the risk on the investment in the investment fund. However, the risk on an equities fund that invests globally will be higher than that on a mixed fund, which invests not only in shares but often also in bonds and sometimes in property.

A prospectus and financial information leaflet are normally mandatory for investment funds. These provide all relevant information on the fund, the costs and the risks. Ask for these documents and read them before you invest in a fund. A financial information leaflet is not mandatory for funds with a 'European passport'.

### **Hedge funds**

Hedge funds are investment funds that use a wide range of financial instruments and trading techniques. Hedge funds often work with leverage and can take short positions. The focus is on realising an absolute return, independently of a chosen index. We therefore advise you to read with care the information accompanying each product, such as brochures and prospectuses.

### **Structured products**

A structured product is an investment product involving investments in one or more asset classes, often in very complicated ways and with the aid of complex option structures. The investments are made by the institution, which issues bonds in which investors can invest. The composition, risks and structure can vary considerably. There are structured products for which all or part of the nominal value is repaid when they mature, known as 'guaranteed products'. There are also structured products, such as certificates, that track the positive and negative price movements of the underlying securities



(for example, in the form of an index) on a linear basis and have no maturity date.

We therefore advise you to read with care the information accompanying each product, such as brochures and prospectuses.

### **Derivatives**

Derivatives are products derived from financial instruments. The value of a derivative therefore depends on price movements of an underlier, such as a share or an index. Leverage is an important feature of most derivatives, including options and futures.

### **Options**

An option is a contract in which the seller (the 'writer') assigns to the buyer the right to buy ('call option') or sell ('put option') underlying securities, usually blocks of 100 shares, during or at the end of an agreed period, at a price fixed in advance. The buyer pays the writer a price for this right, known as the 'premium'. The premium amounts to only a fraction of the price of the underlying security. As a result, price fluctuations in the underlying security can lead to very high profits or losses for the holder of the option (the 'leverage effect').

The buyer of a call option hopes that the price of the underlying security will rise above the exercise price of the option before or on the expiration date. The maximum loss for the buyer of an option is the amount he has invested, whereas the writer can lose far more than he receives in premium.

### **Futures**

Futures are commitments to buy or sell a certain amount of underlying securities (such as share indices, currencies or commodities) at a fixed price, with delivery at a fixed future date. Price movements in the underlying securities can lead to profits or losses, which are settled on a daily basis. When a future is contracted, a deposit ('initial margin') must be paid as security that the buyer or seller will be able to pay the other party the difference in the price of the underlying securities, even if there are sharp daily price movements.

The strong leverage effect, the obligation to maintain a margin and the daily settlement of price movements mean that futures trading carries high risks. It is therefore only suitable for very experienced investors.

### **Warrants**

As a rule, warrants represent a right to buy or sell certain underlying securities (e.g. shares or bonds) during

a fixed period for a predetermined price. Warrants resemble options, the difference being that warrants are not issued by stock exchanges but by companies. Furthermore, unlike options, the contract specifications are not standardised. The risks associated with warrants are similar to those for options. Unlike options, investors cannot write warrants (go short) and warrants are exercised with the issuing institution.

### **Speeders**

Speeders are listed structured products enabling the investor to take advantage of rising (long speeders) or falling (short speeders) daily price movements in various underlying securities, such as shares, bonds, indices, commodities or currencies, through the leverage effect. The distinguishing features are the financing level and the 'stop loss' level. We therefore advise you to read with care the information accompanying each product, such as brochures and prospectuses.

### **Over-the-counter transactions**

Over-the-counter (OTC) transactions are transactions that are not conducted via a stock exchange or other third party, but in which the bank itself acts as the counterparty. The performance of an OTC transaction depends on price movements for underlying securities. These may be currencies, interest rates, commodities, precious metals or indices. They were originally intended to hedge risks, but can also be used as speculative investments. OTC derivatives cannot usually be traded and, because they are often contracted for very large amounts, the risks can be very high.

### **Exchange risk**

In addition to the risks mentioned above, you also run the risk of exchange fluctuations between the euro and other currencies with all investment products denominated in currencies other than the euro.

### **Other**

It is beyond the scope of this brochure to describe the features of all securities and their associated risks. In choosing investments, you should carefully consider which securities fit with your investment goals. All forms of investment involve some degree of risk. Writing uncovered options, futures contracts and options for futures contracts and derivatives in general can carry very high risks. You are advised to trade in such high-risk securities only if this fits with your investment profile, if you are well aware of the risks and if you are willing and able to accept the potential losses.



# General Terms and Conditions for Securities Services

## Article 1. Definitions

The following definitions apply in these General Terms and Conditions:

- a. General Terms and Conditions:** These 'General Terms and Conditions for Securities Services' of GE Artesia Bank.
- b. Bank:** GE Artesia Bank, established at Herengracht 539-543, Amsterdam. GE Artesia Bank is the trading name of Banque Artesia Nederland N.V., a bank registered in compliance with the Financial Supervision Act with De Nederlandsche Bank N.V. and the Authority for the Financial Markets.
- c. Depositary:** N.V. Bewaarbedrijf Artesia Nederland. The exclusive object of this company, in accordance with its Articles of Association, is to hold Securities and rights relating to Securities in its own name, on behalf and for the risk of the Bank's clients, and to enter into agreements for that purpose. This company therefore runs no commercial risks.
- d. Client:** One or more legal entities or natural persons jointly or individually holding a Securities Account or conducting transactions in Securities via the Bank.
- e. Securities:** All financial instruments in which the Client can invest via the Bank.
- f. Securities Deposit:** An account held by the Client at the Bank for custody and administration of the Client's Securities.
- g. Securities Account:** An account held by the Client at the Bank, used inter alia for debiting and crediting the Client's funds in connection with transactions in Securities conducted and/or settled on behalf and at the risk of the Client. Securities Accounts are reserved for holders of Securities Deposits and cannot be used for payments.
- h. Securities Brokerage:** Intermediation in the execution of Securities transactions other than for purposes of asset management.
- i. Professional Client:** A Client covered by the definition of a professional investor in Section 1 of the Financial Supervision Act or a Client in so far as the Bank and the Client have agreed that the Client will be designated as a professional investor in compliance with Article 3 of these General Terms and Conditions and Section 4:18c of the Financial Supervision Act.

## Article 2. Scope

- 2.1 These General Terms and Conditions apply to all Securities services offered by the Bank, including transactions in Securities conducted on the Client's instructions and at the Client's risk and expense and advising the Client on entering into such transactions.
- 2.2 The General Conditions of the Netherlands Bankers' Association apply, if and to the extent that they are not departed from by these General Terms and Conditions.
- 2.3 In addition to these General Terms and Conditions, the Bank's options agreement applies to brokerage in buying and selling options traded on Euronext. In addition to the Bank's options agreement, the Bank's agreements in respect of futures, special products and foreign options exchanges apply to brokerage in buying and selling futures, special products and options traded on foreign stock exchanges, respectively. The provisions of the latter agreements will take precedence in the event of any difference between the said agreements and these General Terms and Conditions.
- 2.4 If the Bank manages (a part of) the Client's assets, the Bank's asset management agreement also applies.
- 2.5 Other terms, conditions or provisions may apply to the legal relationship between the Bank and the Client, in addition to these General Terms and Conditions, depending on the services relating to Securities provided and the communication channel chosen.
- 2.6 Together with the client agreement signed by the Client and the Bank, the agreements, terms, conditions and provisions referred to in this article form the basis for the financial services that the Bank provides to the Client.

## Article 3. Professional Clients

- 3.1 Unless the Client is covered by the definition of a professional investor in Article 1 of the Financial Supervision Act, the Client will be classed as a non-professional client, within the meaning of that Act.
- 3.2 The Client may request the Bank to classify it as a Professional Client for some or all transactions. The Client is aware that this will lead to a lower level of protection. Among other things, it means that the safety-net scheme referred to in Article 15 will not apply to the Client, that the Client will not have access to the Financial Services Complaints Tribunal referred to in Article 30, that the Bank is not required to inform the Client of its order

execution policy as referred to in Article 10 of these General Terms and Conditions and that the content of contract notes sent to the Client may be more limited.

- 3.3 Professional Clients have the right to request the Bank to be classified as non-professional clients, within the meaning of the above Act, for the purpose of some or all transactions. If the Bank is willing to grant such a request, the agreements reached in this regard shall be laid down in a separate contract.
- 3.4 The Bank has the right at all times to classify a Professional Client as a non-professional client, within the meaning of the said Act.

## Article 4. Advisory relationship

- 4.1 For the purpose of determining the Client's risk profile, the Bank will obtain information at the start of the relationship inter alia on the Client's financial position, knowledge, experience with investing in Securities, investment horizon, and on his investment goals and willingness to accept risks.
- 4.2 If, in the bank's view, the Client does not provide the required information, the Bank will refrain from advising the Client on entering into transactions in Securities.
- 4.3 The Client is aware that inaccurate and/or incomplete information may result in the Bank issuing advice that is not suitable for or may be detrimental to the Client.
- 4.4 The Client is required to notify the Bank immediately of any material changes in financial position and/or personal circumstances, in particular if they are of such a nature as to give grounds for adjustment of the Client's risk profile.
- 4.5 The Bank may rely on the accuracy of information provided orally or in writing by the Client. The Bank is not required to check the accuracy of the information provided.
- 4.6 The Bank will advise the Client on the basis of the information provided, taking account of the Client's risk profile. The Client must then take decisions regarding such advice. The Client is free to follow or ignore the Bank's investment advice. In taking a decision, the Client is deemed to understand the consequences of that decision in full and to accept the associated risks. The Client is deemed to be aware that failing to follow the Bank's advice could lead to increased risks and be detrimental to the Client.
- 4.7 The investment advice that the Bank provides for the Client is based on expectations and estimates and offers no guarantee whatever. In no case

may the Client or third parties assume that these expectations will be realised or that estimates are correct. The Bank is not liable for any loss that may result from following the investment advice it provides, unless such advice should not reasonably have been given at the time it was given. The Bank does not guarantee and accepts no liability for the accuracy and completeness of information derived from external sources.

4.8 The Bank is not required to provide unsolicited investment advice to the Client.

4.9 In derogation from the foregoing, the Bank may assume that a Professional Client has the knowledge and experience necessary to understand the risks associated with the transactions envisaged by the latter and can bear the risks within the context of the latter's risk profile.

#### **Article 5. Execution-only**

5.1 In derogation from the provisions of Article 2, paragraph 1, of these General Terms and Conditions, the Bank may decide, at the Client's request or otherwise, to limit its services to execution of the Client's orders. In that case as well the Bank will obtain the information referred to in paragraph 1 of the preceding article with a view to drawing up a risk profile.

5.2 If the Bank takes the view that a proposed transaction is not suitable for the Client, given the Client's investment knowledge and experience, it will notify the Client accordingly but is not obliged to refuse the order.

5.3 If the Bank takes the view that it does not have sufficient information on the Client to assess whether the latter has enough knowledge and experience to assess the consequences of a given transaction or types of transaction, the Bank will notify the Client accordingly, but is not obliged to refuse orders from the Client to execute such transactions.

5.4 The Bank may also decide that its services will be limited to execution of the Client's orders concerning simple types of Securities. In that case, the Bank will notify the Client accordingly, and will assess orders issued by the Client only in terms of account balance and coverage requirements and will not assess their suitability for the Client on the basis of the latter's knowledge and experience. In that case, it will not be required to obtain the information referred to in paragraph 1 of the preceding article.

5.5 'Simple types of Securities' as used in this article means:

a) shares listed on a regulated market in the European Economic Area or on a similar system in a state that is not a member of the European Economic Area;

b) instruments that are normally traded on the money markets (i.e. short-term debt instruments such as deposits);

c) tradeable bonds and other debt instruments, with the exception of convertible bonds and convertible debt instruments, and

d) rights to participate in open-ended investment institutions.

5.6 In the case of Professional Clients, the Bank may assume that they have the knowledge and experience required to understand the risks associated with their proposed transactions.

#### **Article 6. Asset management**

6.1 If the Bank and the Client agree that the Bank will manage the Client's assets or a part thereof, the Bank will also obtain the information referred to in Article 4, paragraph 1. Paragraphs 2-5 of Article 4 apply mutatis mutandis.

6.2 The Bank will manage the Client's assets on the basis of the information provided, in compliance with the provisions of the asset management agreement and in accordance with the Client's risk profile.

#### **Article 7. Risks of investment in Securities**

7.1 The Client has taken cognisance of the information provided by the Bank on investment in Securities, entitled 'Main features and risks of securities', is fully aware of the risks and consequences associated with investment in Securities and accepts those risks and consequences.

7.2 The value of investments in Securities can fluctuate. Results obtained in the past do not provide a reliable indication for the future.

7.3 The Client is aware that the price of a market order (an order executed at the next price quoted in the trading system in which the order is executed after the order has been placed in that system) can vary substantially from the last quoted price. By placing a market order, the Client accepts the resulting risk.

7.4 To the extent that the Client makes use of credit to finance investments in Securities or invests wholly or partly with borrowed funds obtained by other means, the Client explicitly declares that it is aware that it runs the risk of losing its investment and even of incurring a debt.

7.5 The Client is aware that Securities held in a country outside the European Union may have

less protection against the risk of insolvency of the investment company where they are held than is customary in countries within the European Union.

#### **Article 8. Instructions and notices**

- 8.1 The Client will use the means of communication designated by the Bank to issue instructions to the Bank, including orders to execute transactions in Securities for the Client's account.
- 8.2 The Bank may record telephone orders issued by the Client and/or telephone conversations with the Client on an audio carrier. The Bank has the right, but is under no obligation, to store and/or archive such recorded orders and conversations. The Bank will erase such audio recordings in due course.
- 8.3 The Client may impose restrictions concerning the markets or trading platforms on which transactions in Securities are settled.

#### **Article 9. Execution of orders**

- 9.1 Unless otherwise provided by these General Terms and Conditions, the Client's orders for transactions in Securities will be executed in compliance with the Client's instructions, observing the rules of the relevant stock market(s) and/or other trading platforms. The Bank will act on behalf and at the risk of the Client at all times.
- 9.2 The Client hereby irrevocably authorises the Bank to charge all amounts due to the Bank on the grounds of the Client's transactions in Securities and related actions to the Client's Securities Account and Securities Deposit.
- 9.3 The Client will ensure that the balances on its Securities Account and Securities Deposit are sufficient at all times to pay the Bank all amounts due in respect of the Client's transactions in Securities and related actions.
- 9.4 The Bank's willingness to execute orders for transactions extends to the categories of Securities and the stock markets and platforms on which Securities are traded and of which the Bank has notified the Client. The Bank may also impose restrictions on the types of orders for transactions in Securities that it offers to execute for the Client. The Bank has the right at all times to vary the aforementioned categories of Securities, stock markets and trading platforms. It also has the right to impose restrictions regarding the types of orders.
- 9.5 Unless otherwise agreed, day orders for transactions in Securities apply for the day on which they are issued. Perpetual orders that cannot be

executed on the date on which the Client issues them will be accepted by the Bank for the period stated in the order acceptance confirmation.

- 9.6 The Bank and the Depositary may use the services of third parties, inter alia for the execution of orders. The Client is aware that some or all Securities may not be returned in the event of non-performance by or insolvency of a third party.
- 9.7 The Bank has the right to refuse to execute orders if the Client has not issued the order at the agreed times in the agreed manner, if the order is unclear, if it is not received in time or if it contravenes regulations relating to the execution of the order.

#### **Article 10. Order execution policy**

- 10.1 In executing Securities orders, the Bank will take all reasonable measures, given all the circumstances, to obtain the best possible result for its clients, to which end the Bank has drawn up its order execution policy. The Client has received a copy of and agrees with that policy.
- 10.2 The Bank will evaluate its order execution policy regularly and will notify the Client of any material changes therein.
- 10.3 The Bank has the right to deviate from its order execution policy if it takes the view that this would produce a better result for the Client.
- 10.4 The Client has the right at all times to issue instructions at variance with the Bank's order execution policy. The Client is aware that this may lead to a less beneficial result on the order for the Client than if the order were executed in compliance with the Bank's order execution policy. The Bank has the right to refuse orders that deviate from its execution policy.
- 10.5 At the Client's request, the Bank will demonstrate that it has executed an order placed by the Client in compliance with its order execution policy.

#### **Article 11. Costs and commission**

- 11.1 The Bank will charge to the Client's account a custody fee, commission and (transaction) charges at the rates currently applied by the Bank. These charges are shown in the standard list of charges, which is available at all the Bank's branches in the Netherlands and is posted on the Bank's website.
- 11.2 The Bank may also charge to the Client's account any expenses payable to third parties in respect of the services it provides.
- 11.3 The Bank reserves the right to adjust all rates referred to in this article at any time if the Bank considers this to be warranted by the circumstances. In that case, the Client has the right, in



compliance with Article 29, paragraph 2, to cancel the securities relationship between the Client and the Bank with immediate effect by registered mail, subject to the provisions of Article 29, paragraph 4.

#### **Article 12. Contract note**

- 12.1 No later than the first working day following the execution of an order, or, if the Bank receives confirmation from a third party, no later than the first working day following the receipt of such confirmation, the Bank will notify the Client of the execution of the order by means of a contract note containing the essential details of the transaction. Where applicable, these will include the identity of the Bank and the Client, the trading day and time, the type of order, the place where the transaction was executed, the identity of the Security, the nature of the order (buy, sell or other), the amount, the unit price, the total amount, the total costs charged, an analysis of the charges (at the Client's request) and the Client's responsibilities concerning the settlement of the transaction, including the payment or delivery terms and account details, to the extent that the Client has not already been notified of those particulars and responsibilities.
- 12.2 If the other party to the Client's transaction was the Bank, a member of the group of companies of which the Bank forms part or another of the Bank's clients, that will also be stated in the contract note unless the order was executed via a trading system that provides for anonymous trading.
- 12.3 If the Bank executes an order in tranches, it may provide information on the price of each tranche separately or on the average price. In the latter case, it will provide the Client with information on each individual tranche on request.
- 12.4 In the case of Professional Clients and in derogation from the provisions of paragraphs 1, 2 and 3 of this article, the Bank is required only to provide the most important information on the execution of the order without delay.
- 12.5 The provisions of this article do not apply to orders executed in implementation of decisions relating to the management of the Client's assets in respect of which the Bank and the Client have entered into an asset management agreement.
- 12.6 In the case of the execution of an order relating to bonds to finance a mortgage loan, the Bank will provide the Client contracting the loan with the information referred to in the preceding paragraph together with the statement of the amount of the loan, but no later than one month after the execution of the order. If the Bank regularly executes

orders for the Client relating to rights to participate in an investment institution, the Bank has the right to provide the information referred to in the preceding paragraphs once every six months.

- 12.7 The Bank will provide the Client with information on the status of its orders on request.

#### **Article 13. Regular statements**

- 13.1 The Bank will provide the Client with regular portfolio statements once a year.
- 13.2 If the Bank and the Client have entered into an asset management agreement within the meaning of Article 6, the Bank will provide the Client with regular portfolio statements once every six months.
- 13.3 If the Bank and the Client have entered into an asset management agreement within the meaning of Article 6 and leverage is permitted in the portfolio, the Bank will provide the Client with regular portfolio statements once a month.
- 13.4 If the Bank and the Client have entered into an asset management agreement within the meaning of Article 6, the Client also has the right to request the Bank to provide it with information on each transaction executed. That information will be subject to the provisions of the preceding article. The Bank will then provide the Client with annual overviews of its portfolio, unless the portfolio also contains financial instruments other than tradeable shares, tradeable bonds, other tradeable debt instruments, money market instruments or rights to participate in an investment institution, in which case the Bank will provide regular overviews once every six months.
- 13.5 The Client may ask the Bank to provide portfolio statements more frequently than provided for in the preceding paragraphs. The Bank will comply with such requests, within reasonable limits.

#### **Article 14. Custody of Securities**

- 14.1 The provisions of the Securities Giro Transfer Act (WGE) apply to custody of Securities forming part of a joint deposit held by the Bank, within the meaning of that act. The act creates a form of co-ownership among holders of book-entry securities falling under the act. To the extent that such Securities are subject to drawing for redemption, the Bank will ensure that, for each drawing, each of its Clients is assigned a sum in respect of Securities designated for redemption that is proportional to the Client's entitlement.
- 14.2 The Depository is responsible for custody of all other Securities for the Client in the Netherlands,

including options, futures and securities identifiable by number. The custody of those Securities is subject to the "Rules regarding the custody of securities" that belong to the General Conditions.

- 14.3 The Depository is also responsible for custody of bearer or registered foreign Securities for the Client. The custody of those Securities is subject to the "Rules regarding the custody of securities" that belong to the General Conditions.
- 14.4 The Bank is not required to provide the Client with information regarding Securities in custody, other than the information it receives via its own channels or from the relevant issuing institutions.
- 14.5 The Bank and the Depository are authorised to make use of third-party services, including services relating to the custody of Securities. The Bank is liable only for non-performance by such a third party if it failed to exercise due care in the choice of the relevant third party.
- 14.6 The Client's Securities can be held by a third party in an 'omnibus account', i.e. an account in which the third party keeps Securities of several of the Bank's Clients. The Client is aware that, in the event of non-performance by or insolvency of such a third party, it may not be able to recover some or all of its Securities.
- 14.7 The Client is aware that it may not be possible, pursuant to the national law of the country of the third party holding the Securities, to distinguish the Client's Securities from Securities that the third party holds for itself or for the Bank. The Client is aware that, in the event of non-performance by or insolvency of such a third party or if all claims cannot be covered, it may not be able to recover some or all of its Securities.
- 14.8 The Client is also aware that, if its Securities are held by a third party established in a country outside the European Union, its rights with respect to such Securities may have less protection against the risk of insolvency of the investment company where they are held than is customary in countries within the European Union.

#### **Article 15. Safety-net schemes**

- 15.1 The Financial Supervision Act created a deposit guarantee scheme and an investors' compensation system. These are designed to compensate persons who entrust to a bank money or Securities that are not already covered by the WGE or are held by a depository, if the bank is unable to pay.
- 15.2 The maximum under the deposit guarantee scheme is €100,000. The maximum under the investors' compensation scheme is €20,000.

- 15.3 These schemes are implemented by De Nederlandsche Bank N.V. Eligibility for compensation is defined by the official text of the relevant scheme. The Bank will provide further information on the schemes on request.

#### **Article 16. Conflicts of interest**

- 16.1 In view of the nature of the Bank's business, conflicts of interest can arise between the Client and the Bank, between the Client and staff of the Bank, between the Client and members of the group of which the Bank forms a part or between different Clients of the Bank. In order to avoid such conflicts of interests as far as possible, the Bank has taken steps to ensure the independence of the business unit providing securities services. These safeguards prevent price-sensitive information that may be available to the Bank being used in the provision of securities services to the Client.
- 16.2 If a conflict of interest is unavoidable, the Bank will notify the Client accordingly, giving all particulars to enable the Client to make an informed decision on the matter in regard to which the conflict of interest has arisen.
- 16.3 The Bank may pay fees or commission to third parties or receive fees or commission from third parties (such as distribution fees) in connection with the provision of Securities Brokerage. The Client has no claim on fees received by the Bank from such third parties.
- 16.4 The Bank will provide the Client with further details of the above schemes, terms and conditions on request.

#### **Article 17. Liability**

- 17.1 The Bank will perform all actions relating to its services at the Client's risk and expense.
- 17.2 The Bank is not liable for loss resulting from a rise or fall in the value of Securities, for loss, including loss of profit, incurred by the Client or for loss of any other kind, unless and to the extent that such loss is found to be the direct consequence of malicious intent or gross negligence on the part of the Bank in the provision of its services. The Client indemnifies the Bank against all third-party claims relating to its services.

#### **Article 18. Pledges**

- 18.1 As additional security for payment of all the amounts due from the Client to the Bank, now or at any time in the future, in respect of transactions in Securities or on any other grounds, the Client pledges the following to the Bank:



- a) all its current and future shares in the joint deposits managed by the Bank, within the meaning of the WGE, of securities of the relevant type, and all present and future claims arising from or relating to those shares;
  - b) the Securities placed in custody with the Depository in the Client's name or to be placed in custody with the Depository in the future, to the extent that the Depository holds or will hold those Securities for the Client individually, and the present and future rights to delivery of Securities that are held by the Depository in the Client's name or of Securities that are not or will not be held by the Depository for the Client individually;
  - c) all claims that the Client may have against the Bank, now or at any time in the future, with respect to the assets held for the Client, now or in the future, in a current account or present or credited in any other way.
- 18.2 The pledge includes a pledge on all receivables in respect of the pledged Securities, rights and claims.
- 18.3 These pledges shall arise on each occasion by virtue of the addition of new Securities, rights and claims to the Client's Securities Deposit, Securities Account or current account. Where necessary, such additions shall also serve as notice to the Bank and the Depository.
- 18.4 Without prejudice to the foregoing, the Client is required, at the Bank's earliest request, to take all action and grant all assistance necessary to establish the rights of pledge referred to in this article. The Client hereby irrevocably and unconditionally authorises the Bank to take any action that may be necessary or desirable for that purpose, with a view to establishing the rights of pledge referred to in this article.

#### **Article 19. Repledge**

The Bank has the right to repledge the Securities and other proprietary rights pledged to it as security for a debt of the Bank to a third party, provided that this debt does not exceed the amount (payable on demand or otherwise) owed by the Client to the Bank, that the repledge does not exceed the amount that the Bank needs as security for the amounts due to it by the Client (on demand or otherwise) at the time of the pledge and that, as soon as the Bank has repaid the debt, the repledged Securities and other proprietary rights are released from repledge.

#### **Article 20. Certificate of inheritance**

- 20.1 Following the death of a Client, the Bank may require those wishing to operate the Securities Account and/or Securities Deposit held in the name of the deceased Client to submit a certificate of inheritance. The Bank is not obliged to provide information on actions relating to balances on the Securities Account and/or the Securities Deposit performed prior to the Client's death.
- 20.2 Until the Bank receives a certificate of inheritance, it will be entitled but not obliged to take action that it considers necessary to maintain the Client's portfolio.

#### **Article 21. Client data**

- 21.1 The Bank may be required by regulations, including the regulations of stock markets and/or trading platforms or the Financial Supervision Act, to disclose personal particulars contained in the Bank's records to assist in maintaining and monitoring compliance with those regulations. The Bank does not require the Client's permission to disclose those particulars.
- 21.2 The Client accepts that the Bank may disclose personal particulars from its records to a supervisory or other authority, in the Netherlands or elsewhere, pursuant to mandatory regulations.

#### **Article 22. Exceptional circumstances**

In exceptional circumstances, including the malfunction of order systems and exceptionally high levels of activity on stock and options exchanges, delays may occur in executing the Client's orders. The Bank is not liable for any direct or indirect loss arising therefrom, except in the case of malicious intent or gross negligence on the part of the Bank.

#### **Article 23. Price information**

- 23.1 The Bank is not required to provide the Client with price quotations or other price information.
- 23.2 The Bank is not liable to the Client or third parties for direct or indirect loss arising from or relating to price quotations or other price information provided by the Bank.

#### **Article 24. Cancellation of securities orders**

- 24.1 If Securities are altered (for example, by means of a share split or reduction in the nominal value), the Bank will cancel any current orders relating to those Securities. The Client is aware that circumstances can arise (including certain events relating to institutions issuing certain Securities that are likely to have a material impact on the

price of the relevant Securities) as a result of which current orders for that stock will be cancelled by the stock exchange where they are executed.

- 24.2 In derogation from the provisions of Article 26 of the General Conditions, all market orders still outstanding after the close of trading on the day prior to the date on which Securities are to be quoted ex-dividend and limit orders entered in the Bank's order system before the close of trading will be cancelled unless other regulations or practices apply on the stock exchange on which the Securities are traded. In the event of cancellation, the Bank is not required to execute the order with an adjusted limit unless the Client issues the Bank with a new order to that effect.

#### **Article 25. Joint and several liability**

If the Client consists of two or more natural persons or legal entities, each is jointly and severally liable to the Bank for all the Client's existing and future obligations in relation to services performed by the Bank and each is individually authorised to place orders with the Bank.

#### **Article 26. US tax law**

- 26.1 The Client is required to comply promptly with all the Bank's administrative and other regulations and procedures if the Client invests in Securities generating income that is subject to withholding tax in the United States of America (hereinafter referred to as 'American Securities').
- 26.2 If the Client invests in American Securities, is not a natural person and wishes to claim a reduction in the withholding tax referred to in paragraph 1 pursuant to any tax treaty with the United States of America, the Client is required, at the Bank's earliest request, to submit a 'treaty statement' to the Bank and the Depository. 'Treaty statement' refers here to a statement from the Client that it qualifies for application of the tax treaty between the country where the Client is domiciled for tax purposes and the United States of America.
- 26.3 If the Client fails to meet the obligations referred to in the preceding paragraphs or fails to do so in time, the Bank will be entitled, in fulfilment of its obligations in respect of withholding tax referred to in those paragraphs, to assign the Client to the category of parties subject to the highest rate of withholding tax for income from American Securities.
- 26.4 If the Client invests in American Securities and can also be classed as a 'US person', the Client is required to send the Bank a fully completed

and legally signed W-9 form or, in the event of its replacement, a document of equivalent purport, within 14 days of receiving a request to do so from the Bank. The Client is then also required to grant the Bank and the Depository written permission to send the said W-9 form or the replacement document to the competent authority in the United States of America and/or to a party liable to withhold tax on American Securities acting on behalf of the Bank and/or the Depository.

- 26.5 If the Client fails to meet the obligations referred to in paragraph 4, or fails to do so in time, the Bank will be entitled, in fulfilment of its obligations in respect of withholding tax referred to in paragraph 1, to dispose of the American Securities in the Client's Securities Account at the Client's risk and expense, regardless of the sales proceeds realised.

#### **Article 27. Shareholders' Communication Channel**

As a participant in the Shareholders' Communication Channel set up by the Shareholders' Communication Channel Foundation, the Bank may be given permission by the Client to send the Client's personal details to a third party appointed specifically for that purpose, in order a) to enable information to be relayed from a participating securities-issuing institution and/or its shareholders or b) to authorise a third party to vote at a general meeting of shareholders on behalf of the Client and in a manner determined by the Client, in accordance with the rules agreed for that purpose.

#### **Article 28. Electronic information**

- 28.1 The Client consents to the Bank supplying information, including regular statements, account statements and contract notes, in electronic form. The Client undertakes to retrieve, check and, if necessary, save information sent electronically without delay, and in any event daily.
- 28.2 The Client consents to the supply of information via the Bank's website.
- 28.3 The Bank will exercise the authority referred to in the preceding paragraphs only if it is consistent with the context in which the Bank does business with the Client. If the Client does not have regular access to the internet or other electronic channels, the Bank will provide the said information in writing at the Client's request.

#### **Article 29. Duration and termination**

- 29.1 The securities relationship between the Bank and the Client is of indefinite duration.



- 29.2 Both the Client and the Bank have the right to terminate this relationship with immediate effect, by notifying the other party by registered mail.
- 29.3 The securities relationship will be terminated with immediate effect and without requiring notice if the Client:
- is declared insolvent, enters into a debt rescheduling arrangement or petitions for moratorium;
  - ceases to exist (where the Client is a legal entity);
  - dies (where the Client is a natural person), or
  - fails to meet its obligations to the Bank, such as at the Bank's discretion.
- 29.4 Unless and to the extent that the Bank and the Client have agreed otherwise in writing, transactions in Securities that have not been settled by the termination date will be settled by the Bank as far as possible in compliance with these General Terms and Conditions. During the settlement process, each party will continue to be bound by these General Terms and Conditions and by all other valid agreements between the parties.
- 29.5 If the Client terminates the securities relationship, the Bank will not be required to make a full or partial refund of charges paid to it and the Client will remain fully liable for amounts due but not yet paid.
- 29.6 If the Bank terminates the securities relationship, it will be entitled to fix a term within which the Client must issue instructions for the transfer of the Securities to another bank or for the sale of the Securities. If the Client fails to issue such instructions in time, the Bank will be entitled to sell the Securities at the Client's risk and expense.
- 29.7 The Bank has the right to close a Securities Deposit in which no assets have been held for a period of more than one calendar year, after the Bank has notified the Client thereof in writing and the Client has not notified the Bank of any objection thereto within a period of three months.
- 29.8 The Bank is entitled to remove Securities from the Securities Deposit which, in its reasonable view and given the status of the institution that issued those Securities, no longer qualify for custody.

#### **Article 30. Applicable law/jurisdiction**

- 30.1 The relationship between the Bank and the Client is subject to the laws of the Netherlands.
- 30.2 If the Client is not satisfied with the Bank's securities services, the Client can submit a complaint to the Bank. The Bank will process the complaint

promptly.

- 30.3 Disputes between the Client and the Bank will be submitted to the competent court in the Netherlands unless stipulated otherwise by law or international treaty.
- 30.4 In derogation from paragraph 3, the Bank as plaintiff has the right to bring a dispute before a foreign court which has jurisdiction over the Client and the Client as plaintiff has the right, in accordance with the current rules, to bring a dispute before the Financial Services Complaints Tribunal (KiFiD), whose competence is accepted by the Bank.

#### **Article 31. Amendments and additions to the General Terms and Conditions**

- 31.1 Amendments and additions to these General Terms and Conditions will be binding on the Client within one week of the Client receiving notice thereof. Such notification may take the form of a reference to the full text thereof on the Bank's website. In that case, the Bank will send the Client the full text in paper form on request.
- 31.2 If the Client does not accept the change(s) announced by the Bank, it must notify the Bank in writing within three working days of receiving notice thereof. After receiving the Client's notification, the Bank will cancel the services with immediate effect, in accordance with the provisions of Article 29.

Amsterdam, October 2009



# Order execution policy

## Introduction

This document summarises the rules for our order execution services. We will execute your orders, or place them with third parties for execution, on the basis of these rules.

## Scope of the policy

This policy applies if you are classed as a 'non-professional investor' and we execute your orders or present them to third parties for execution.

This policy applies to the execution of securities orders that you issue in compliance with the General Terms and Conditions for Securities Services. The order execution policy is effective from 1 November 2007.

## Main points of the policy

In executing securities orders, GE Artesia Bank takes all reasonable measures to achieve the best possible result for the client, taking account of the various factors that affect this choice.

For each category of instruments, the order execution policy contains information on the different locations at which the bank executes orders from its clients and the factors that affect the choice of location.

### Factors that affect the choice of execution location:

Where relevant and applicable, we will consider the following factors when selecting an execution location:

- the current price and the liquidity available at that price
- transaction costs
- speed of execution in the market
- probability of execution and settlement (for example, market liquidity for the specific product)
- the capacity of the execution location to settle complex orders

- clearing and settlement and the relevant rules and procedures, and
- other relevant factors affecting the execution of an order.

The above factors are prioritised on the basis of your order, the financial instrument, the available execution locations and other relevant circumstances. In most cases, price and transaction costs take priority in the choice of trading location for our non-professional clients. The best price is generally obtained at locations that handle the highest volumes. For that reason, liquidity is the main criterion in selecting the trading location for the execution of your order, except in certain product-specific situations. The selection of relevant trading locations is evaluated regularly and can be requested from your own branch.

## Product-specific situations

### Shares

In principle, orders for shares are executed on regulated markets or multilateral trading facilities (jointly referred to as 'trading locations') with the highest liquidity. We depart from this rule if there is no trading location with enough liquidity, in which case orders are executed with another suitable counterparty.

### Fixed-interest securities

Only a very small proportion of bonds and other fixed-interest securities are traded via the regulated market. There are almost no trading locations outside the regulated market. Because liquidity is highest on the professional market, bond orders are not always executed on the stock exchange, but often against our broker's own book or occasionally with another suitable counterparty.

### **Investment funds**

'Open-ended' investment funds issue new units on demand and buy them back when offered. In both cases, the price lies close to the net asset value of the fund. Orders for open-ended investment funds are therefore often transacted directly with the issuing institution. If the investment funds can be traded on the stock exchange, the orders are often executed on the exchange. Open-ended investment funds often have only one trading slot per day, week or month. Orders for 'closed-end' investment funds are executed in the same way as share orders.

### **Structured products**

Orders for structured products go to the official trading location with the highest liquidity (often the only location where the fund is traded). In some cases, however, these are sent to the issuing institution for execution. Structured products with no official listing go to the issuing institution.

### **Options and futures**

Listed options and futures are created by a trading location itself, which is why options and futures are always traded at the relevant trading location.

### **Combination of orders**

If you accept our order execution policy, you give us permission to combine orders with those of other clients or our own order, if applicable. We will only do this if, taking all things into consideration, it is unlikely to have any detrimental effects on any of the clients whose orders are combined. Nevertheless, it is possible that combining certain orders can be disadvantageous for you.

### **Large orders**

Large orders can potentially disrupt markets. Because factors other than price and costs are often important for the client, the execution of these orders is placed with a specialised order desk of our broker.

'Large' here means that the scale of the order exceeds a certain threshold, which depends on the financial instrument, the trading locations and specific market conditions. Because of these variables, the threshold is not fixed.

### **Evaluation**

We monitor the quality of our execution services and check our selected execution locations on a regular basis. We evaluate our policy and procedures annually and whenever material changes occur in the relevant conditions. Any changes required are implemented

immediately. You will be notified of essential changes before they take effect.

### **Outsourcing**

GE Artesia Bank uses professional brokerage, clearing and custody services for execution and settlement. In principle, all orders for securities and domestic options are executed by Fortis Bank (Nederland) N.V. ([www.fortis.com](http://www.fortis.com)). Orders for foreign options are mostly cleared by Dresdner Bank A.G. ([www.dresdner-bank.com](http://www.dresdner-bank.com)).

If your orders are passed on to third parties for execution and clearance, GE Artesia Bank will ensure that the execution policies of these third parties are consistent with the policy described in this document. We check the quality of execution and will correct any shortcomings.

### **Limiting conditions applying to this policy**

#### **Client instructions**

If you send us special instructions to execute an order that is at variance with our policy, we will execute the order in accordance with your instructions unless we notify you that we are unable to do so. However, this may mean that we are unable to follow the procedure we have developed and implemented in order to provide the best possible order execution.

#### **Force majeure**

This policy does not apply at times of severe market turbulence or if internal or external systems malfunction. In that case, timely execution of orders, wherever possible, becomes the most important factor. If systems malfunction, we may not be able to access all our selected execution locations. If that situation arises, you will be notified as soon as possible.

#### **Consent**

If you send us an order after this information has been made available to you or received by you, you accept that our order execution policy is applicable to you and confirm that you have read and understood all the foregoing. By placing an order, you also consent to the execution of the relevant order outside the regulated markets or multilateral trading facilities where necessary, as provided for in our current securities services.







# Inducement fees

## **Payments to the bank by third parties**

In connection with the bank's services, it may receive fees or commission from third parties. Clients have no claim on payments the bank receives from third parties.

## **Placement fees**

Our bank receives placement fees from the institutions issuing financial products, for placing those products. We use these fees inter alia to fund assessment and monitoring of the relevant product (product selection).

## **Holding fees**

Issuing institutions (generally investment funds) pay the bank holding fees while our clients hold products issued by those institutions. We use these fees inter alia to fund the selection of these products from the wide range of providers and for monitoring these products.

Placement fees range from 0% to 3% of the upfront value, with an average of about 1.5%. Holding fees range from 0% to 1% of the average asset value.

Your account manager can provide further details of the fees paid and received.



# Conflicts of interest

## Conflicts of interest

Conflicts of interest can arise in the provision of GE Artesia Bank's services, in any area of the bank's services to its clients. Conflicts of interest can arise within the organisation itself, between the organisation and its clients or between different clients.

Our bank has drawn up a policy that defines the measures taken to avoid conflicts of interest and how to deal with them appropriately if they do arise. The principle is that conflicts of interest should be avoided wherever possible. The focus here is on the position of the client and the bank is constantly on the alert for potential conflicts of interest.

## Preventive measures

GE Artesia Bank has taken a number of measures in order to avoid conflicts of interest wherever possible:

- Where necessary, 'Chinese walls' have been set up within the bank to prevent sensitive (including price-sensitive) information available to staff in one department of the bank being disclosed to staff in other departments where this information is not needed for their work. These Chinese walls are organisational, physical and procedural.

One of the main Chinese walls is that between the securities business and the credit business. The staff who advise on securities are not aware of loans that GE Artesia advances to (listed) companies.

- Employees in positions that could give them access to price-sensitive information in the course of their work are subject to a separate regime that covers all private investment transactions they conduct.
- Guidelines have been drawn up within GE Artesia Bank to prevent conflicts of interest arising if employees have private or personal interests<sup>1</sup> that could affect the unbiased and objective performance of their work. These guidelines are designed to prevent such situations as far as reasonably possible, focusing in particular on other posts, directorships and proxies, substantial financial interests and controlling interests in companies, financial transactions, family and personal ties and other circumstances that could prevent the employee concerned from acting in the interests of the bank and its organisation or its clients.

## Internal supervision and control

Internal supervision and control of the work of employees in positions where conflicts of interest could arise ensures that the established measures and guidelines are complied with in practice.

<sup>1</sup> 'Private or personal interests' refers to any potential benefits for the employee or for members of his/her family, friends or acquaintances.



# Explanation of risk profiles

## Definition of risk profile and investment experience

GE Artesia Bank applies the following principles with regard to your risk profile.

**Highly defensive portfolio:** You aim to achieve a slightly better return than is possible with a savings account, but you want to keep the risk as low as possible: no shares, only lower-risk bonds and cash (0% shares/share-related products and 100% bonds/cash).

Our expectations of a highly defensive portfolio are an average long-term return of 4.0% and a one-year return of between -5% for a pessimistic scenario and 13% for an optimistic one. We recommend an investment horizon of at least two years.

**Defensive portfolio:** You invest primarily in bonds and cash, and a small amount in shares and property. This means that you benefit from price increases, but do not lose too much if prices fall (30% shares/share-related products and 70% bonds/cash).

Our expectations of a defensive portfolio are an average long-term return of 5.5% and a one-year return of between -15% for a pessimistic scenario and 26% for an optimistic one. We recommend an investment horizon of at least five years.

**Neutral portfolio:** You are aware of the opportunities and risks of investment. You benefit from stock market price increases and limit the risk of disappointing stock market returns by investing a substantial proportion in bonds/cash (50% shares/share-related products and 50% bonds/cash).

Our expectations of a neutral portfolio are an average long-term return of 6.2% and a one-year return of between -19% for a pessimistic scenario and 32% for an optimistic one. We recommend an investment horizon of at least seven years.

**Aggressive portfolio:** You deliberately take more risks in order to profit from stock market price rises. The portfolio consists mainly of shares and property, with a small segment reserved for bonds (70% shares/share-related products and 30% bonds/cash).

Our expectations of an aggressive portfolio are an average long-term return of 7.0% and a one-year return of between -23% for a pessimistic scenario and 37% for an optimistic one. We recommend an investment horizon of at least eight years.

**Highly aggressive portfolio:** You deliberately take more risks in the hope of earning higher returns. Your portfolio consists almost entirely of shares (100% shares/related products). You are aware that the value of your portfolio depends on stock market fluctuations and that it can lose value over longer periods.

Our expectations of an aggressive portfolio are an average long-term return of 8.0% and a one-year return of between -27% for a pessimistic scenario and 43% for an optimistic one. We recommend an investment horizon of at least 10 years.

## Investment experience

GE Artesia Bank distinguishes the following categories for investment experience:

**inexperienced / less experienced / advanced / experienced / highly experienced**

The category that applies in your case depends on different factors, one of the most important being which investments you have experience with and for how long. There is a difference between experience restricted solely to bonds, for example, and experience with options and futures. The number of years of experience is also a factor. Finally, there is the question of whether you class yourself as an experienced or less experienced investor.

**Warning**

GE Artesia Bank has assigned you to one of the above categories on the basis of information available to the bank. The bank emphasises that, while the above percentages of average (expected) returns are based on extrapolations from the past, results achieved in the past are not a reliable indicator for the future.

The bank furthermore emphasises that the above percentages of proportions of shares and bonds / cash in the portfolio are ideals, and that upside and downside deviations of upto 15% are fitting for the risk profile concerned. Depending on the circumstances, such as a volatile market, deviations may be larger.

# Terms and conditions

## Artesia BeleggersPlusRekening

### I BeleggersPlusRekening

1. The BeleggersPlusRekening is a savings account.
2. The BeleggersPlusRekening can only be denoted in euro (EUR).
3. The BeleggersPlusRekening cannot be used for payment transactions.

### II Deposits

1. The first deposit will be at least EUR 25,000.

### III Withdrawals

1. Withdrawals can be made at any time without withdrawal charges.
2. Minimum withdrawal: EUR 5,000. Smaller withdrawals are permitted only in so far as the balance is smaller than EUR 5,000 and if the account holder wishes to withdraw the entire remaining balance.

### IV Interest

1. Interest will be calculated according to a method whereby the month is set at 30 days and the year at 360 days.
2. Settlement of interest will take place once per calendar year (in the month of January).
3. GE Artesia Bank will set the interest rate on the basis of developments on the money and capital markets. The account holder will be notified of any changes to the current interest rate.

4. The above interest rate applies to a balance up to EUR 10 million. The bank applies deviating interest rates to balances above this amount.

### V Terms & Conditions

1. Only one BeleggersPlusRekening may be held per natural person or affiliated legal entity (such as a private pension company, private investment company, foundation, association, religious association etc.)
2. The account holder will receive a statement of every transaction on the BeleggersPlusRekening.
3. GE Artesia Bank reserves the right, without having to state reasons, to refuse to open a BeleggersPlusRekening or to close an existing account and to transfer the balance to an account indicated by the account holder.
4. The BeleggersPlusRekening is not subject to costs and commission.
5. GE Artesia Bank is at all times entitled to change these terms & conditions, and will provide the account holders with personal notification of any changes made. Changes will come into force one month after the aforementioned notification.
6. In so far as not stated otherwise above, the General Conditions of GE Artesia Bank apply between the bank and its account holders. A copy of these General Conditions is available at any office of GE Artesia Bank.



# GENERAL BANKING CONDITIONS

(Translation\* of the original Dutch text)

*This is a translation of the original Dutch text. This translation is furnished for the customer's convenience only. The original Dutch text will be binding and shall prevail in case of any variance between the Dutch Text and the English translation.*

These General Conditions were drawn up in consultation between the Netherlands Bankers' Association and the consumers' organisation 'Consumentenbond' within the framework of the Co-ordination Group on Self-regulation Consultation of the Socio-Economic Council (SER) and will become effective on November 1st 2009. No consultations took place on other (product-related) conditions that may be applicable. The Consumentenbond reserves the right to start collective legal action against such conditions.

## **Article 1. Scope**

The provisions of these General Banking Conditions shall apply to all existing and future legal relationships between the Bank and the Customer to the extent that it is not otherwise provided in agreements and/or in special conditions. General conditions that a foreign branch of the Bank applies to its legal relationships with the Customer shall prevail above these General Banking Conditions in the event of a conflict between the two. If other general conditions apply or are declared applicable by or on behalf of the Customer, these shall not apply in the legal relationship with the Bank, unless the Bank has agreed to this in writing.

## **Article 2. Duty of care of the Bank and of the Customer**

1. The Bank shall exercise due care when providing services. In its provision of services, the Bank shall take the Customer's interests into account to the best of its ability. None of the provisions of these General Banking

Conditions or of the special conditions used by the Bank shall detract from this principle.

2. The Customer shall exercise due care vis-à-vis the Bank and shall take the Bank's interests into account to the best of his ability. The Customer shall enable the Bank to fulfil its statutory and contractual obligations and to render its services correctly. The Customer shall not make improper or illegal use (or allow improper or illegal use to be made) of the services and/or products of the Bank, also including use that conflicts with laws and regulations, serves criminal activities or is damaging to the Bank or to its reputation or to the integrity of the financial system.

## **Article 3. Activities and objectives**

The Customer provides information to the Bank, taking into account the applicable privacy laws, at its first request, about the Customer's activities and objectives and about the reason for the (intended) use of the services and/or products of the Bank. Upon request, the Customer informs the Bank as to the origin of the funds and securities deposited with the Bank or that are to be deposited with the Bank and of goods that have been given to the bank to hold in (open) custody.

## **Article 4. Non-public information**

In providing its services, the Bank does not have to make use of non-public information, including price-sensitive information.

## **Article 5. The Bank or third parties as the counterparty**

1. In providing its services, the Bank may make use of third parties and may (partially) outsource activities. The Bank may give goods, documents of title, securities or financial instruments that belong to the Customer,

whether or not held in the name of the Bank, to third parties in custody or have these administrated by third parties.

2. If the Customer gives the Bank an order or an authorisation, the Bank may also do business with itself as a counterparty in order to execute the order or authorisation, and the Bank may also transfer this order or authorisation to a third party.

3. The Bank takes the necessary care into account in the selection of third parties. In the event that the Customer has called in or appointed a third party, the consequences of this choice are for the account of the Customer.

#### **Article 6. Risk of dispatches**

If the Bank, by order of the Customer, dispatches funds or financial instruments, including securities, to the Customer or to third parties, such dispatch shall be at the Bank's risk. If the Bank, by order of the Customer, dispatches other goods or documents of title to the Customer or to third parties, such dispatch shall be at the Customer's risk.

#### **Article 7. Customer data**

The Customer and the Customer's representatives are obliged to cooperate with the Bank and to provide information in order to determine and verify their identity, their citizen's (services) identification number, date of birth, civil status, legal capacity and authorisation to act, postnuptial agreement, partnership agreement, legal form, place of residence or place of establishment, and insofar as applicable, the registration number with the chamber of commerce and/or other registers and their VAT number. The Customer must inform the Bank as soon as possible of any changes in this information. The Bank may make copies of documents, which provide evidence of this information, and the Bank may record and file this information. If the Customer is a legal person or form of cooperation, the Customer and its representatives are also obliged, at the Bank's first request, to give the Bank insight into the ownership and control structure of the legal person or the form of cooperation.

#### **Article 8. Signature**

The Customer and his representatives shall deposit an example of their handwritten signatures at the Bank's first request at the Bank in a manner and/or in a form as determined by the Bank. The example provided by a person is deemed to be the representation of the

Customer's current handwritten signature, regardless of the capacity in which the Customer acts vis-à-vis the Bank, until the Bank has been notified of a change.

#### **Article 9. Authorisation and power of representation**

1. The Customer may grant a third party a power of attorney to do business with the bank on his behalf. The authorised representative is not authorised to transfer the power of attorney granted to him to a third party. The Customer is liable vis-à-vis the Bank for the fulfilment of obligations, which have been entered into by the authorised representative. The Bank can demand that an authorisation is granted in a specific manner and/or in a specific form and/or according to a specific procedure. The Bank is not obliged to (continue to) do business with an authorised representative.

2. If the authorisation of a representative of the Customer is revoked or a change occurs with regard to the authorisation, the Customer is obliged, notwithstanding the registration in public registers or the publication thereof, to notify the Bank as soon as possible of this revocation or change. The Bank may (continue to) legally execute orders that have been given to the Bank by a representative before or shortly after the Bank has received notification of the revocation if the Bank could not reasonably prevent the execution.

3. The General Banking Conditions and all other provisions, rules and limitations that apply between the Customer and the Bank also apply to the representative in connection with the execution of his representation. The Customer is responsible for the compliance with the above by his representative and shall ensure that the Customer and the representative keep each other fully informed about everything that is important for them or could be important for them as Customer and representative.

#### **Article 10. Personal data**

The Bank may process personal data of the Customer and the Customer's representatives, as well as data regarding the products and services purchased by the Customer, taking into account the applicable laws and regulations and the codes of conduct that apply to the Bank and the Bank may exchange this data within the group to which the Bank belongs in connection with customer relationship management, to prevent and combat criminal activities and for commercial purposes. Personal data can also be exchanged with third parties that that Bank makes use of in its business operations

or in providing its banking services. This can entail, inter alia, in connection with payments, the passing on of personal data to third parties in countries that do not have the same level of protection as in the Netherlands. Personal data can be the subject of an investigation by authorised national authorities of the countries where such data is located in connection with the processing of the data both during and after the processing

#### **Article 11. (Video and audio) recordings**

The Bank may, within the boundaries of the applicable laws and regulations, make (audio and video) recordings for the purpose of sound business operations, providing evidence, combating criminal activities and monitoring quality. If the Customer requires the Bank to comply with an obligation to issue a copy or transcription of a recording, the Customer must first provide the relevant specifications such as the relevant date, time and location.

#### **Article 12. Continuity in the providing of services**

The Bank aims to ensure the adequate functioning of its facilities for the provision of its services (for example, equipment, programmes, systems, infrastructure, networks); however, the Bank does not guarantee that these facilities will always be running correctly without interruption. The Bank aims to avoid interruptions / malfunctioning, insofar as this lies within its sphere of influence, within reasonable bounds or to remedy the interruption / malfunctioning within a reasonable time.

#### **Article 13. The Death of a Customer**

1. The Bank must be notified of the death of a customer in writing as soon as possible. As long as the Bank has not been notified of the death of a customer in this manner, the Bank may (continue) to execute the orders received from or on behalf of the Customer. The Bank may (continue to) legally execute orders that have been given to the Bank before or shortly after the Bank has received notification of the death of a Customer if the Bank could not reasonably prevent the execution.

2. After the death of the Customer, the Bank can demand that the person/persons who claims/claim to be authorised to perform (legal) acts with regard to the Customer's estate submits/submit an attestation of admissibility to the estate, issued by a Dutch notary, and/or documents that the Bank deems to be acceptable as proof thereof.

3. The Bank is not obliged to provide information again regarding actions and transactions that have

been carried out before the time of the death of the Customer.

#### **Article 14. Name and address of the Customer**

1. The Customer informs the Bank to which address the documents and/or information that are intended for the Customer can be sent. The Customer notifies the Bank as soon as possible in writing of a change of name and address. If the Customer's address is not known or is no longer known at the Bank due to the Customer's fault, the Bank can attempt to find out the address of the Customer without being obliged to do so. The costs of such an investigation are for the Customer's account. The Customer, whose address is not known at the Bank, is deemed to have his postal address at the address where the Bank is located, unless agreed otherwise.

2. If a product or service of the Bank is purchased by two or several persons, the Bank shall send the documents and/or information to the address, which that person has provided to the Bank. If the persons do not agree or do no longer agree on this, the Bank may make the choice itself to which address of these persons it will send the documents and/or information.

#### **Article 15. Dutch language**

The communication between the Bank and the Customer takes place in Dutch, unless agreed otherwise in writing. The Bank can demand that the Customer has documents, which are in a language other than Dutch, translated into Dutch or into another language that the Bank agrees to at the Customer's costs by a person who is qualified to translate these documents in the opinion of the Bank. A translator who is a sworn translator in the language in question is qualified in any case.

#### **Article 16. Use of means of communication**

The Customer is obliged to make safe use of Internet, fax, e-mail, post or other means of communication in the Customer's communication with the Bank.

#### **Article 17. Information and orders**

1. The Customer shall ensure that the Bank shall receive all information, which the Bank requires or which the Customer can reasonably understand that this information is necessary for the correct provision of services by the Bank. The Customer shall ensure that statements, such as orders and notifications to the Bank or to a third party appointed by the Bank are clear and comprehensive and contain the correct information. The Customer complies with the instructions and regulations issued by the Bank.

2. The Customer makes use of data carriers or means of communication approved or specified by the Bank for its communication with the Bank or with a third party designated by the bank. The Customer makes use of this taking into consideration the Bank's instructions and regulations.

3. The Bank may postpone the execution or refuse to execute orders if these have not been submitted correctly. In special circumstances, the Bank may refuse to execute orders given by or on behalf of the Customer or the Bank may refuse to provide the requested service.

#### **Article 18. Evidential force of the Bank's records and record keeping period**

An abstract from the Bank's records serves as prima facie evidence vis-à-vis the Customer, subject to rebuttal evidence produced by the Customer. The Bank is not required to keep its records for a period longer than the statutory record keeping period.

#### **Article 19. Checking the information provided by the Bank and orders executed by the Bank**

1. The Customer must check the confirmations, bank statements, invoices, other specifications or other information that the Bank sends to the Customer or makes available to the Customer as soon as possible after receiving this. If the Bank makes such communications available to the Customer electronically, the Customer must check the information as soon as possible after this has been made available to the Customer. The date of dispatch or the date of making the information available is the date of dispatch or the date of making the information available as is apparent from copies, distribution lists or otherwise from the Bank's records. The Customer must check as soon as possible whether the bank has executed orders given by the Customer or on behalf of the Customer correctly and completely. If the Customer does not receive a notification from the Bank, whereas the Customer knows or should know that he could expect a notification from the Bank, the Customer must inform the Bank of this as soon as possible in writing.

2. If the Customer notices a mistake or an omission, he must inform the Bank as soon as possible and take all reasonable measures to prevent (further) damage. If the Bank detects that it has made a mistake or an error, the Bank shall remedy this as soon as possible. The Bank informs the Customer about the detected mistake or error as soon as possible.

3. The Bank is authorised to remedy a mistake or error without the Customer's consent and to reverse an incorrect entry. The Bank is authorised to reverse the crediting of an account of the Customer as a result of an order given by an unauthorised person or a person without legal capability to act.

4. If the Customer requests a copy of information that has already been provided to him by the Bank, the Bank shall provide this to the Customer within a reasonable period and the Bank shall receive a reimbursement for the reasonable costs incurred by the Bank, unless the Bank no longer has this information or the request is unreasonable.

#### **Article 20. Approval of bank documents**

If the Customer has not contested the contents of confirmations, statements of accounts, invoices, other specifications or other information sent or made available to the Customer by the Bank in writing within thirteen months after such documents have been made available to the Customer by or on behalf of the Bank, the contents of such documents shall, in any case and notwithstanding the Customer's obligation pursuant to Article 19, be deemed to have been approved by the Customer. If such documents contain any arithmetical errors, the Bank shall remedy these errors, also after the expiry of the period of thirteen months.

#### **Article 21. Obligation to retain records and confidentiality obligation**

1. The Customer must store and treat with care the items made available to the Customer such as forms, data carriers, means of communication, security measures, cards, personal and access codes and passwords. The Customer must treat personal pin codes and access codes and such with due care and keep these confidential for other persons. The Customer adheres to the security regulations issued by the Bank.

2. If the Customer knows or can reasonably suspect that items that the Bank has made available to the Customer have come into unauthorised hands or that abuse is being made or can be made or that an unauthorised person knows his pin code and/or access code, he must immediately notify the Bank of this.

#### **Article 22. Commission, interest and fees**

1. The Bank charges commissions, interest and fees for its services. The Bank may change the amount thereof, unless agreed otherwise in writing. If the amounts of these commissions, interest and fees have not been



agreed in advance between the Customer and the Bank, the Bank shall charge its usual commissions, interest and fees.

2. When providing its services, the Bank informs the Customer to the extent reasonably possible about the amount of its charges (commissions, interest, fees). The Bank ensures that the information about these charges can easily be obtained.

3. The Bank may deduct the commissions, interest and fees owed by the Customer from an account that the Customer holds with the Bank without notifying the Customer in advance. If an unauthorised debit balance arises on the account due to the deduction, the Customer must immediately clear the debit balance without the Bank being required to give notice of default.

#### **Article 23. Conditional credit entries**

Each credit entry of an amount received or to be received in favour of the Customer is made subject to the proviso that the Bank actually receives this amount definitely and unconditionally. If this condition has not been satisfied, the Bank may reverse the credit entry – without prior notification – by debiting the same amount with retrospective effect. If the amount received or to be received was converted into another currency when crediting the account, the bank may make the debit entry in the other currency at an exchange rate at the time of execution. Costs in connection with the reversal are for the Customer's account.

#### **Article 24. Lien**

1. As a result of these General Banking Conditions becoming applicable, the Customer:

a) undertakes to pledge the following goods including the related ancillary rights to the Bank as security for all that which the Customer may owe or come to owe the Bank at any given moment:

- i. all (cash) receivables that the Bank owes to the Customer on any account whatsoever;
- ii. all goods, documents of title, securities and other financial instruments that the Bank or a third party on behalf of the Bank, on any account whatsoever, holds or obtains of or for the Customer;
- iii. all securities in collective depositories that the Bank holds in custody or acquires;
- iv. all goods that (shall) take the place of the goods under i, ii, or iii;

b) insofar as legally possible, the Customer pledges the goods referred to in sub a to the Bank;

c) grants the Bank an irrevocable authorisation, with the

right of substitution, to pledge these goods to itself in the name of the Customer, if necessary repetitively, and to do everything that serves the pledge.

2. The Customer guarantees that he is authorised to make the pledge and that the goods in question are or will be free of rights and claims of other parties than the bank.

3. The Bank shall release the pledged goods, if the Customer wishes to have these goods in his possession, if the value of the then remaining pledged goods provides sufficient cover for all that the Customer, on any account whatsoever, owes or may come to owe to the Bank. The Bank may only seize and execute the pledged goods if the Customer's debt to the Bank has become due and payable and the Customer is in default. The Bank shall not seize and execute more of the pledged goods than necessary for the payment of the debt that the Customer owes to the Bank. After the Bank has exercised its seize and execution right, it shall notify the Customer of this in writing as soon as possible.

#### **Article 25. Right of set-off**

The Bank shall at all times be entitled to set off all and any debts receivable by the Bank from the Customer, whether or not due and payable and whether or not contingent, against any debts owed by the Bank to the Customer, whether due and payable or not, regardless of the currency in which such debts are denominated. If, however the Customer's debt to the Bank or the Bank's debt to the Customer is not yet due and payable - and provided that the Customer's debt and the Bank's debt are expressed in the same currency - the Bank shall not exercise its right of set-off except in the event of an attachment being levied upon the Bank's debt to the Customer or recovery being sought from such debt in any other way, or in the event that a restricted right is created thereon or the Customer assigns the Bank's debt to a third party by singular title, or the Customer is declared bankrupt, or has entered into a moratorium of payments or another insolvency regulation or statutory debt repayment arrangement applies to the Customer. Debts expressed in a foreign currency shall be set off at the exchange rate on the day of set-off. If possible, the Bank shall inform the Customer in advance that it intends to exercise its right of set-off.

#### **Article 26. Collateral**

1. As a result of the General Banking Conditions becoming applicable, the Customer has undertaken vis-à-vis the Bank to provide (additional) collateral for all existing

and future amounts that the Customer owes to the Bank, on any account whatsoever, at the first request of the Bank and to the Bank's satisfaction. This collateral must be such, and if necessary must be replaced and/or supplement by the Customer to the Bank's satisfaction, that the Bank, taking into account the Customer's risk profile, the cover value of the security and any other factors relevant to the Bank, continually has sufficient collateral. At the Customer's request, the Bank shall inform the Customer of the reason of the demand for collateral, or the replacement or supplement thereof. The amount of the required collateral must reasonably be in proportion to the Customer's obligations.

2. Pledge and mortgage rights of the Bank also serve, in the event that another banking institution, as its legal successor under general title, continues the banking relationship with the Customer, partially or in full, in favour of the other banking institution as if this was the Bank itself.

3. The Bank can terminate its pledge or mortgage rights at any moment, partially or fully by giving notice of termination.

4. Establishing a (new) security right in favour of the Bank does not serve to replace or release (existing) security rights.

5. If the General Banking Conditions are used vis-à-vis the Customer to amend, supplement and/or replace previous General (Banking) Conditions, all by virtue of earlier general (banking) conditions existing collateral, security rights and set-off rights remain in full force in addition to the rights and powers by virtue of these General Banking Conditions.

#### **Article 27. Immediately due and payable**

If the Customer is in default with regard to the fulfilment of any obligation to the Bank, the Bank may make the amount due by the Customer immediately due and payable by giving notice, unless this is not justified in view of the minor importance of the default. Such a notice of termination must be made in writing and state the grounds for termination.

#### **Article 28. Special costs**

1. If the Bank becomes involved in a seizure, dispute or proceedings between the Customer and a third party, then the Customer shall fully reimburse the costs incurred by the Bank resulting there from (for example the costs of legal assistance).

2. All other special costs incurred by the Bank following from the relationship with the Customer are for the Customer's account insofar as this is reasonable.

#### **Article 29. Taxation and levies**

All taxation, levies and such – under whatever name and levied by whomever - that concern the relationship between the Customer and the Bank are for the account of the Customer, unless agreed in writing otherwise or a provision of imperative law specifies differently.

#### **Article 30. The form of notifications**

Notifications to the Bank must be made in writing, unless a different manner of communication has explicitly been agreed with the Bank.

#### **Article 31. Incidents and disasters**

If (in the execution of) an agreement between the Bank and the Customer an incident or disaster threatens to occur, occurs or has occurred, the Customer must, at the Bank's request, do or refrain from doing everything what the Bank reasonably considers necessary in connection therewith.

#### **Article 32. Partial nullity or annulability**

Should a provision in these General Banking Conditions be invalid or annulable, then this does not imply that another provision of these Conditions is (partially) invalid or annulable. If a provision in these General Banking Conditions should be invalid or annulable, it will be replaced by a valid provision that is as close as possible to the import of the invalid or annulable provision.

#### **Article 33. Applicable law**

The relations between the Customer and the Bank shall be governed by the laws of the Netherlands, unless imperative law prescribes otherwise.

#### **Article 34. Complaints and disputes**

1. If the Customer is not satisfied with the services provided by the Bank, the Customer must first turn to the Bank taking into account the Bank's procedure for this.

2. Disputes between the Customer and Bank shall only be brought before the competent Netherlands Court, except in the case of imperative law and the following:

- a) The Customer can also submit a dispute to the authorised dispute and complaint committees.
- b) The Bank can also submit a dispute to the foreign court that is competent for the Customer.



**Article 35. Termination of the relationship**

Both the Customer and the Bank may terminate the relationship between the Customer and the Bank in writing completely or partially. If the relationship is terminated by the Bank, the Bank shall, upon request, inform the Customer of the reason for such termination. After notice of termination of the relationship has been given, the existing individual agreements between the Customer and Bank shall be settled as soon as possible taking into account the applicable time periods. During the settlement, these General Banking Conditions and the specific conditions that apply to the individual agreements remain applicable.

**Article 36. Transfer of contracts**

As a result of these General Banking Conditions becoming applicable, the Customer has, in the event of a (partial) transfer of the business operations of the bank, agreed to cooperate in advance that the Customer's legal relationship with bank in connection with the (partial) transfer shall (partially) be transferred to a third party.

**Article 37. Amendment of and additions to the  
General Banking Conditions**

Amendments of and additions to these General Banking Conditions shall not take effect until after the representative Dutch consumers' and employers' organisations have been consulted about such amendments and additions and also about the manner in which the Customer shall be informed of the amendments and additions. The amendments and additions shall be filed at the Registrar's Office of the District Court of Amsterdam. These amendments and additions will not take effect until sixty days after the date of filing.

*A copy of these General Banking Conditions has been filed by the Netherlands Bankers' Association at the Registrar's office of the District Court of Amsterdam under number 61/2009 on 27 July 2009.*



N.V. Bewaarbedrijf Artesia Nederland

## Rules regarding the custody of securities

(translation\* of the original Dutch text)

*\*This translation is furnished for the Customer's convenience only. The original Dutch text, which will be sent upon request, shall be binding and shall prevail in case of any variance between the Dutch text and the English translation.*

1. GE Artesia Bank, hereinafter referred to as "the Bank", and N.V. Bewaarbedrijf Artesia Nederland, hereinafter referred to as "the Depository", shall cause all Rights, (as hereinafter defined) that are held for a Customer pursuant to the relationship between the Customer and the Bank to be held exclusively by the Depository and to be exercised by the Depository for the benefit of the Customer, the foregoing insofar as reasonably possible in respect of the relevant Right. For the purposes hereof, "Rights" are all rights – property rights, if any, included – that are accepted as such by the Depository that the Bank and/or the Depository hold or holds in its or their own name for the benefit of Customers with respect to Securities that are not included in a collective deposit within the meaning of the Wet giraal effectenverkeer (the Netherlands Securities Giro Administration and Transfer Act).  
For the purposes hereof, "securities" are shares, bonds, options, warrants and all other tangible and intangible property that is accepted as such by the Depository.
2. The Depository shall have obligations with respect to the Rights held by it for the Customer only vis-à-vis the Customer. Only the Customer is entitled to give instructions to the Depository with respect to the Rights held for him. The Depository is not entitled to exercise the Rights other than in
3. The Depository shall make use of third parties to the extent it deems such use necessary in connection with its duties to its Customers. This use may include the placing of Securities in the custody of third parties and the obtaining of rights with respect to Securities through third parties. The Bank shall be entrusted with the selection of such third parties. The Bank shall not be liable for any shortcomings of such third parties, if it can prove that it has exercised due care in selecting these third parties. Should the Bank not be liable for the shortcomings of these third parties and should the Customer have suffered damage, the Bank shall in any case assist the Customer as much as possible in repairing this damage. The Depository shall not be liable for any shortcomings of such third parties, except in the event of willful misconduct or gross negligence on the part of the Depository.
4. The benefits and burdens resulting from or connected with the Rights shall accrue to or, as the case may be, be for the account of the Customer, so that the Depository will not incur any economic or commercial risk in respect of the Rights.
5. The Bank is charged with the duties entailed by the administration of the Rights held by the Depository for the benefit of the Customer, including the collection of interests and dividends, realizing subscription rights, obtaining new coupon or dividend sheets, effecting conversions, lodging

accordance with the instructions of the Customer and with these Rules. The Customer shall give his instructions concerning the Rights to the Bank, which shall be entitled to act on behalf of the Customer vis-à-vis the Depository.

securities for the purpose of meetings, as well as executing orders for the sale of securities, and with the giving (directly or indirectly) of instructions relating to these duties to correspondents. To the extent possible the Depository shall enable the Bank to perform these duties on behalf of the Depository when necessary. Except in the event of willful misconduct or gross negligence on the part of the Depository, the Depository shall have no liability in connection with these duties.

6. Neither the Bank nor the Depository shall be under an obligation to record the serial numbers of the Rights or the Securities corresponding therewith, albeit that with regard to Rights with respect to Securities with special rights attached to specific numbers, such numbers shall be recorded separately for the Customer, and that to the extent the Rights or the Securities corresponding thereto are subject to drawings by lot, the Bank and the Depository shall ensure, each time a drawing takes place, that an amount or number of Rights or Securities corresponding therewith shall be allotted to the Customer.
7. The Customer shall be under an obligation to pledge to the Bank, whenever the Bank deems such pledge to be necessary, all present and future rights the Customer has or may acquire from time to time vis-à-vis the Depository concerning Rights that are held for the benefit of the Customer, including the rights to receive payment of the amounts received in connection with the Rights, for the purpose of securing all present and future claims of the Bank on the Customer, whether or not due and payable or contingent.

The Customer hereby irrevocably authorizes the Bank to create, on behalf of the Customer, a right of pledge on the rights of the Customer vis-à-vis the Depository which are referred to in the first paragraph of this Article, whenever the Bank deems the creation of such right of pledge to be necessary, and to notify the Depository of such right of pledge. The Bank is authorized to receive notification of such right of pledge on behalf of the Depository.

For so long as the Bank has not made a statement to the contrary, it is deemed to release, from time to time, the right of pledge, if and to the extent necessary to enable the Depository to honour the Customer's rights as if no pledge existed. From

the moment the Bank informs the Depository that it no longer agrees to the rights of the Customer being honoured, no release of the right of pledge shall be assumed and the Depository shall refrain from honouring the rights of the Customer on the ground of the right of pledge of the Bank. The Bank shall not use this right unreasonably.

The Bank may enforce its rights as holder of a right of pledge notwithstanding the provision of article 2 hereof.

8. The Depository is under an obligation with respect to each type of Right to ensure at all times that the Rights of that type that are held by it conform, in their contents and in their amount, with the rights of Customers vis-à-vis the Depository that correspond thereto.

In the event that, for reasons that are not the result of wilful misconduct or gross negligence on the part of the Depository, the Rights held by the Depository of a specific type fall short compared to the rights corresponding thereto of Customers vis-à-vis the Depository, the deficiency in question shall be apportioned by the Depository among those Customers who held such rights vis-à-vis the Depository at the close of the business on the day in the Netherlands preceding the day of discovery of the deficiency by the Bank, pro rata to the amounts of their rights at the said moment.

In this case, the Depository is under no other obligation than to take measures to remove the cause of the deficiency to the extent possible. In particular, the Depository shall not be under an obligation to acquire Rights to eliminate the deficiency. The expenses incurred for the purpose of removing the cause of the deficiency shall be apportioned in the manner set forth in the preceding paragraph for a deficiency.

The apportionment referred to in the second paragraph shall be partly or wholly undone to the extent that the deficiency is reduced as a result of the measures taken by the Depository.

As soon as the Depository discovers that an event has taken place which has caused or might cause a deficiency, the Depository shall have the right to refuse to execute instructions regarding the Rights of the relevant type, until it has been established that there shall be no deficiency or the

deficiency has been apportioned. In such event, the Depositary shall act with the utmost speed and shall immediately inform the Customers involved of any apportionment.

9. The Bank shall debit the Customer's account on its books for the amounts due by the Customer to the Bank and the Depositary for the performance of their duties hereunder.
10. The Bank guarantees to the Customer that the obligations of the Depositary vis-à-vis the Customer will be properly fulfilled.
11. Amendments and additions to these rules, provided they are made jointly by the Bank and the Depositary, shall also be binding on the Customer commencing one month after such amendments and additions have been announced in at least three Dutch daily newspapers with a national circulation and two non-Dutch financial newspapers with a wide circulation. The Bank and the Depositary shall, as soon as possible, send notice of these amendments and additions to the address of the Customer known to them. The provision of article 10 hereof, however, is not capable of amendment.
12. In addition, the General Conditions regulating the relationship between the Customer and the Bank shall apply correspondingly to the relationship between the Customer on the one hand and the Bank and the Depositary on the other, insofar as the above rules do not differ from these conditions.
13. If and to the extent that any provision contained herein cannot be invoked on the ground of its unreasonably burdensome character or on the grounds of reasonableness or fairness, such provision shall have the effect of a provision that would be valid, the purpose of which conforms to the first mentioned provision to such an extent that it must be assumed that such provision would have been included in these rules if the first mentioned provision had been omitted in view of its invalidity.
14. These rules and the activities of the Bank and the Depositary governed hereby shall be governed by Netherlands law. Disputes concerning these rules and such activities shall be brought before the competent Netherlands Court, unless the law or international conventions contain a mandatory

provision to the contrary. Notwithstanding the foregoing, the Customer shall, if acting as the plaintiff, be entitled – subject to the rules of the Financial Services Complaints Tribunal (Kifid) – to bring disputes before this Tribunal. Notwithstanding the foregoing, the Bank or the Depositary, if acting as the plaintiff, are entitled to bring a dispute before the foreign Court having jurisdiction over the Customer.



# Explanatory Notes to the General Banking Conditions

## Article 1

The General Banking Conditions (GBC) contain rules for all transactions between the Customer and the Bank. Such transactions take place within the framework of the relationship into which the Customer and the Bank have entered.

Such a relationship can be confined to one single agreement, for instance a transfer account. Of course, it can also comprise several elements, such as the renting of a safe-deposit box or a deposit or a securities account. In the GBC, all these elements taken together are referred to as the 'relation'.

The GBC do not, however, provide exhaustive regulations for all the elements of which a relationship can be composed. To each separate element, further conditions may apply in practice. A savings account e.g. may be subject to specific additional conditions, which may moreover vary according to the type of savings account chosen by the Customer. Home financing is another product offered in various types, each subject to its own specific conditions.

The rules found in the GBC are therefore mainly basic rules regulating the relation between the Customer and the Bank, wherever in the world. If a foreign branch of the Bank chooses to make use of deviating general conditions, for example, because these are more in line with the local laws, these conditions shall then prevail.

For the most common services, the Bank has brochures and leaflets, which provide information that is more detailed.

## Article 2

This article provides that the Bank must exercise due care in its transactions with the Customer, taking the Customer's interests into account to the best of its ability. It is also expected of the Customer that he exercises due care vis-à-vis the Bank. This implies, for example, that the Customer may not do anything that could be damaging to the Bank or to the integrity of the banking system as a whole.

## Article 3

Banks play a key role in the national and international payment system. Unfortunately, Banks are also misused for criminal activities such as money laundering. Banks are obliged by law to take measures against conduct or events that form a threat to the integrity of the Banking system and to have procedures in place that make this possible. Part of this is that the Bank must be able to obtain information from the Customer, for example, about the origin of the money that the Customer wishes to deposit at the Bank.

## Article 4

The Bank may not simply share the information, which it has obtained, with everyone. Certain information is confidential or is provided to the Bank subject to the condition that it must remain confidential. The Customer must therefore assume that the advice that is provided to him, for example regarding securities transactions, is based exclusively on public information.

## Article 5

There are transactions that the Bank can fully settle 'in

house', for instance the sale of foreign currency over the counter. In a number of cases, however, the Bank must use the services of third parties to execute orders or other transactions.

When a Customer gives an instruction to make a payment to a beneficiary in a foreign country, then generally, a third party, namely a foreign bank, will be involved in the execution thereof.

When the Bank receives the order from the Customer to purchase a specific document of title, it is conceivable that the Bank can supply this document of title from its own stock and consequently can itself act as the seller. This is the meaning of the possibility provided for in this article that the bank concludes this transaction 'with itself' as the counterparty. Another example is in-house matching. In this case, in the execution of securities orders, the Bank not only acts as the representative of the Customer but also as the counterparty as it clears the buying and selling transactions of Customers within the Bank.

#### **Article 6**

Other goods or document of title than monies or financial instruments could be a bill of lading and such. This provision is hardly of any importance for retail customers.

#### **Article 7**

The obligation to provide insight into the ownership and control structure of a legal person or form of cooperation at the Bank's first request follows from the same laws as referred to in article 3.

#### **Article 9**

An example of a public register as referred to in this article is the commercial register of the Chamber of Commerce and Industries. If the Customer has an enterprise, this enterprise will, as a rule, be registered in the commercial register.

In this situation, the Customer – for example when opening the account – may have submitted an extract from the commercial register to the Bank, showing that he has granted a power of attorney (signatory power) to an employee and that under this power of attorney the employee has the power to sign for the bank account. If, at a given moment, the Customer revokes this power and notifies the commercial register thereof but not the Bank, this article provides that this revocation shall not become operative vis-à-vis the Bank, until the Bank has been notified in writing of the said revocation.

#### **Article 10**

The manner in which the Bank treats the personal data of the Customer is regulated in the Code of Conduct for Processing Personal Data by Financial Institutions (Gedragscode Verwerking Persoonsgegevens Financiële Instellingen). This Code of Conduct has been approved by the Dutch Data Protection Authority (College Bescherming Persoonsgegevens) and can be obtained from your Bank upon request.

#### **Article 13**

In the event of the death of a Customer, the Bank generally does not know who the legal successors are. In order to prevent the estate from passing into the wrong hands, the Bank demands an attestation of admissibility to the estate. If the bank has obtained certainty in another manner regarding the legal successors, the Bank can decide not to request such an attestation. However, the Bank is not obliged to do this.

#### **Article 18**

The so-called records provision has been dealt with extensively when the new Dutch Civil Code was drafted and accepted as a practical formula. Decisive in this process is that banks are subject to supervision and are obliged to maintain sound and reliable records. Of course, the Customer is free to submit evidence to the contrary.

#### **Article 19**

When the Customer finds that orders that he has given to the Bank have not been executed or have not been executed correctly, he must lodge a complaint with the Bank as soon as possible. For though it is true that the bank is liable for its own mistakes, a timely complaint may help to keep the damage, if any, within reasonable limits. Moreover, the following is true: The earlier the complaint, the greater the possibility of reconstruction and rectification.

#### **Article 20**

The contents of confirmations, etc. sent by the Bank to the Customer shall in any case be deemed to have been approved by the Customer if he has not objected to them within a period of thirteen months. However, this period does not apply where it concerns arithmetical errors made by the Bank.

#### **Article 21**

If forms, bank cards and the like are lost by the Customer or if they are stolen, there is of course the risk that the

finder or the thief will make improper use of the things he has found or stolen. However, the Customer can limit the consequences of such misuse by informing the Bank as soon as he has discovered the loss or theft.

#### **Article 22**

In addition to debit and credit interest, the Customer may also be faced with commissions and fees, since the Bank may charge the Customer a commission or fee for its services. The Bank has laid down standard charges for a large number of services. Information on such charges is available at the Bank's offices.

#### **Article 23**

It may happen that the Customer receives a cheque from a party in a foreign country. Of course, the Customer wishes to collect the amount of this cheque and for this purpose hands the cheque to his own bank. The Bank will credit the Customer's account with the amount of this cheque after the amount has been collected.

Sometimes, the Bank is willing to credit the Customer's account with the amount of the cheque in anticipation of the actual collection. In this case, the credit entry will be made subject to the proviso that subsequently the Bank will in fact receive the amount of this cheque. If this is not the case – for it does happen that cheques are returned unpaid – then the Bank is authorised to debit the Customer's account again. In banking terminology this is known as 'credit entry under usual reserve', which in Dutch is often abbreviated as 'credit entry o.g.v.'

#### **Article 24**

Lending is one of the principle activities of the Bank. The loans are often secured. For example, loans may be provided against collateral in the form of securities. In this case, the Bank has a lien on the Customer's securities deposit with the Bank. Article 24 deals with this kind of lien.

A special feature of this lien is that it is created 'automatically', which means that the Customer does not have to execute separate instruments of pledge each time.

Another advantage of the flexibility resulting from this arrangement is that it is also conducive to the smooth processing of payment orders.

#### **Article 25**

Kindred to the right of lien is the Bank's right of set-off. This right has a wider scope than the statutory right of set-off because it includes the possibility of setting off debts, which are not yet due and payable.

The Bank will only use this wider right of set-off in connection with debts expressed in the same currency and if one of the events stated in this article occur. In practice, the most important event on the list is the situation that a creditor of the Customer levies an attachment upon the Customer's account at the Bank.

#### **Article 26**

As has been said above, loans are often granted against security. Now it is conceivable that the security, which originally was adequate, subsequently becomes or threatens to become inadequate. This may happen, for instance, when the prices of the securities covered by the Bank's lien fall. Pursuant to article 26, the Bank may in such case demand that the Customer provide additional security. The Bank may also demand that security be provided for an entirely unsecured debit position or a debit position that is insufficiently secured in the opinion of the Bank. In short: the Customer must ensure at all times that the amounts he owes to the bank are secured by sufficient security.

#### **Article 27**

If the Customer fails to perform any of his obligations towards the Bank, the Bank will, of course, consider its total position vis-à-vis the Customer. The Bank may find itself compelled to actually demand payment of all of its outstanding debts. The Bank will not do so until after it has given the Customer prior written notice stating the reason why it is calling its debts.

#### **Article 28**

When there is a dispute between the Customer and third parties, the costs incurred by the Bank shall be entirely for the Customer's account, since the Bank is not in fact a party to such dispute. A situation like this may occur, for instance, when one of the Customer's creditors levies an attachment on the Customer's account with the Bank.

#### **Article 30**

More and more often, a different manner of communication is agreed with the bank than in writing. This is the case, for example, for online banking.

#### **Article 34**

When a consumer has a dispute with the Bank, he may submit the dispute to the competent Dutch Court; however, he may also apply to the Committee of Good Offices Financial Services (Klachteninstituut Financiële Dienstverlening (KiFiD)). Information on the procedure that is to be followed is available at the Bank.

### **Article 37**

It may prove to be desirable in the future - for instance due to new technical or other developments - to amend or add to the GBC. Article 37 specifies the manner in which amendments and additions will become binding. In this case, the consultation procedure for consumers' and employers' organisations is important, since amendments and additions will not take effect until after these organisations have been consulted.



# Branches of GE Artesia Bank in the Netherlands

## HEAD OFFICE

Herengracht 539-543, 1017 BW  
P.O. Box 274, 1000 AG  
Amsterdam  
Tel.: 020 520 49 11  
Fax: 020 624 75 02  
[info@artesia.nl](mailto:info@artesia.nl)

## AMSTERDAM

Herengracht 527, 1017 BV  
P.O. Box 2171, 1000 CD  
Amsterdam  
Tel.: 020 520 44 04  
Fax: 020 620 16 23  
[amsterdam@artesia.nl](mailto:amsterdam@artesia.nl)

## ROTTERDAM

Parklaan 22, 3016 BB  
P.O. Box 1115, 3000 BC  
Rotterdam  
Tel.: 010 440 67 00  
Fax: 010 440 67 25  
[rotterdam@artesia.nl](mailto:rotterdam@artesia.nl)

## DEN HAAG

Rustenburgweg 1, 2517 KE  
P.O. Box 200, 2501 CE  
Den Haag  
Tel.: 070 306 81 00  
Fax: 070 358 98 24  
[denhaag@artesia.nl](mailto:denhaag@artesia.nl)

## BRABANT & ZEELAND

Bergschot 69, 4817 PA  
P.O. Box 1056, 4801 BB  
Breda  
Tel.: 076 530 39 49  
Fax: 076 522 48 95  
[brabantzeeland@artesia.nl](mailto:brabantzeeland@artesia.nl)

## MAASTRICHT

Vrijthof 17b, 6211 LD  
P.O. Box 499, 6200 AL  
Maastricht  
Tel.: 043 350 34 00  
Fax: 043 325 05 54  
[maastricht@artesia.nl](mailto:maastricht@artesia.nl)

## MIDDEN & OOST NEDERLAND

Boulevard 19, 3707 BL  
P.O. Box 528, 3700 AM  
Zeist  
Tel.: 030 698 42 42  
Fax: 030 698 42 41  
[middenoostnederland@artesia.nl](mailto:middenoostnederland@artesia.nl)

