

Transfers of securities to RBS plc pursuant to Part VII of the UK Financial Services and Markets Act 2000

On 6 February 2010 ABN AMRO Bank N.V. (registered with the Dutch Chamber of Commerce under number 33002587) changed its name to The Royal Bank of Scotland N.V. ("**RBS N.V.**") and on 1 April 2010 ABN AMRO Holding N.V. changed its name to RBS Holdings N.V.

On 23 September 2011, RBS N.V. and The Royal Bank of Scotland plc (with its registered office at 36 St Andrew Square, Edinburgh, Scotland) ("**RBS plc**") announced that the Court of Session in Scotland had approved and sanctioned the implementation of a banking business transfer scheme whereby eligible business carried on in the United Kingdom by RBS N.V. would be transferred to RBS plc pursuant to Part VII of the UK Financial Services and Markets Act 2000 (the "**Part VII Scheme**"). The Part VII Scheme took effect on 17 October 2011 (the "**Effective Date**").

From the Effective Date, RBS plc became the issuer of those securities originally issued by RBS N.V. which were transferred to RBS plc pursuant to the Part VII Scheme. Under the Part VII Scheme, amendments were made to the terms of the transferring securities and to agreements related to them from the Effective Date in order to give effect to the Part VII Scheme, including (but not limited to) references to "RBS N.V." being construed as references to "RBS plc". Details of these amendments are set out in the Scheme Document which can be viewed at http://www.investors.rbs.com/RBS_NV.

For details of which securities were transferred to RBS plc pursuant to the Part VII Scheme, investors should refer to http://www.investors.rbs.com/RBS_NV or, for securities issued from on or about 21 July 2011, investors should refer to the terms of the issue or offer documents (including term-sheets) (if they indicate that RBS plc was expected to become the issuer of the securities as a result of the Part VII Scheme, then RBS plc has become the issuer, unless the securities have been exercised, redeemed or repurchased and cancelled prior to the implementation of the Part VII Scheme).

For further details of the Part VII Scheme generally, investors should refer to http://www.investors.rbs.com/RBS_NV.

PROSPECTUS



ABN AMRO Bank N.V.

(incorporated in the Netherlands with its statutory seat in Amsterdam)

EUR 100,000,000

ABN AMRO Valuta Notes 2005 - 2015 'ABN AMRO Valuta Obligatie 2005 - 2015'

Issue price: 101.5 per cent.

EUR 100,000,000 ABN AMRO Valuta Notes 2005 - 2015, issued by ABN AMRO Bank N.V., London Branch.

This Prospectus is for the confidential use of only those persons to whom it has been transmitted in connection with this invitation and is not to be reproduced for any other purpose or distributed to, or used by, any other person. By accepting delivery of this Prospectus each prospective investor agrees to treat the contents hereof as confidential. No person has been authorised to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer. A discussion of certain risk factors that could affect Noteholders is contained in the section headed "*Risk Factors Relating to the Notes*" but this Prospectus does not describe all of the risks of an investment in the Notes.

PROSPECTIVE PURCHASERS OF NOTES DESCRIBED IN THIS DOCUMENT SHOULD ENSURE THAT THEY UNDERSTAND FULLY THE NATURE OF THE NOTES AND THE EXTENT OF THEIR EXPOSURE TO THE RISKS ASSOCIATED WITH THE NOTES. THE MARKET PRICE AND/OR VALUE OF THE NOTES MAY BE VOLATILE AND NOTEHOLDERS MAY RECEIVE LESS THAN THE AMOUNT PAID FOR THE NOTES ON THE ISSUE DATE, BUT IN ANY EVENT NOT LESS THAN THE FACE VALUE OF THE NOTES AT MATURITY. PROSPECTIVE PURCHASERS NEED TO CONSIDER THE SUITABILITY OF AN INVESTMENT IN THE NOTES IN LIGHT OF THEIR OWN FINANCIAL, FISCAL, REGULATORY AND OTHER CIRCUMSTANCES.

PROSPECTIVE INVESTORS SHOULD CAREFULLY READ THE INFORMATION CONTAINED IN THIS DOCUMENT. IF YOU ARE IN ANY DOUBT ABOUT ANY OF THE CONTENTS OF THIS DOCUMENT YOU SHOULD OBTAIN INDEPENDENT PROFESSIONAL ADVICE.

References in this Prospectus to the Notes being "listed" (and all related references) shall mean that the Notes have been admitted to trading and have been listed on Eurolist by Euronext Amsterdam N.V. Euronext Amsterdam N.V. is a regulated market for the purposes of Directive 93/22/EC.

The Notes will be in bearer form, in the denomination of EUR 1.00 each. The Notes will initially be in the form of the Temporary Global Note, without interest coupons attached, which will be deposited on or around the Issue Date with *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.* as Common Depository. The Temporary Global Note will be exchangeable, in whole or in part, for interests in, as applicable, the Permanent Global Note, without interest coupons, not earlier than 40 days after the Issue

Date upon certification as to non-U.S. beneficial ownership. The Permanent Global Note will be exchangeable in certain limited circumstances in whole, but not in part, for Definitive Notes in the denomination of Euro 1.00 each and without interest coupons attached. See the section headed "*Summary of Provisions Relating to the Notes while in Global Form*".

THE CONTENTS OF THIS PROSPECTUS ARE NOT INTENDED TO CONTAIN AND SHOULD NOT BE REGARDED AS CONTAINING ADVICE RELATING TO LEGAL, TAXATION, INVESTMENT OR ANY OTHER MATTERS AND PROSPECTIVE INVESTORS ARE RECOMMENDED TO CONSULT THEIR OWN PROFESSIONAL ADVISERS FOR ANY ADVICE CONCERNING THE ACQUISITION, HOLDING OR DISPOSAL OF ANY NOTES.

AN INVESTMENT IN THE NOTES IS ONLY SUITABLE FOR INVESTORS WHO (EITHER ALONE OR IN CONJUNCTION WITH AN APPROPRIATE FINANCIAL OR OTHER ADVISER) ARE CAPABLE OF EVALUATING THE MERITS AND RISKS OF SUCH AN INVESTMENT AND WHO HAVE SUFFICIENT RESOURCES TO BE ABLE TO BEAR ANY LOSSES THAT MAY RESULT THEREFROM.

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. Where information has been sourced from a third party, the Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Neither the delivery of this document nor any sale of Notes shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof. This document does not constitute an offer of, or an invitation by, or in respect of, the Issuer to subscribe for, or purchase, any of the Notes. This document does not constitute an offer, and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such an offer or solicitation is not authorised or is unlawful.

This Prospectus should not be considered as a recommendation by the Issuer that any recipient of this Prospectus should purchase any of the Notes. Each prospective investor contemplating purchasing Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see the section headed "*Documents Incorporated by Reference*").

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus or any document incorporated by reference herein or therein, or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer.

The Notes have not been and will not be registered under the Securities Act and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons.

The delivery of this Prospectus does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other financial statements or any further information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document containing the same, and does not constitute a representation, warranty or undertaking by the Issuer that this information shall be updated at any time

after the date of this Prospectus. Prospective investors should review, among other things, the most recent financial statements of the Issuer when deciding whether or not to purchase any of the Notes.

The Issuer does not represent that this document may be lawfully distributed, or that Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, which would permit a public offering of the Notes or distribution of this document in any jurisdiction where action for that purpose is required, save in Belgium, The Netherlands and Luxembourg where this Prospectus has been notified to the competent local authority in accordance with the Prospectus Directive. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus, together with its attachments (if any), nor any advertisement or other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations and the Issuer has represented that all offers and sales by them will be made on the same terms.

The distribution of this document and the offer or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by the Issuer to inform themselves about, and to observe, any such restrictions. For a further description of certain restrictions on the offering and sale of the Notes and on distribution of this document, see the section headed "*Selling Restrictions Applicable to the Notes*" below.

This Prospectus constitutes, when read together with the Registration Document (as defined below), a prospectus for the purposes of Article 5.3 the Prospectus Directive.

The Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) has approved this Prospectus further to article 3(2) of the Dutch Act of the Supervision of Securities Trade 1995.

ABN AMRO

The date of this Prospectus is 3 October 2005

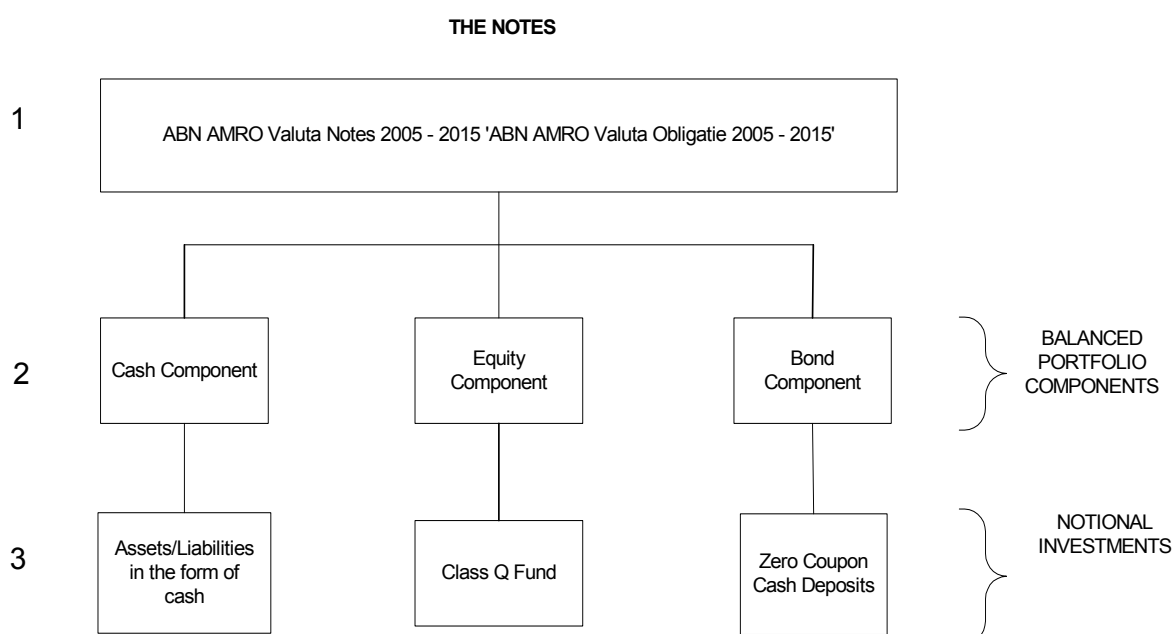
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SUMMARY

This summary has been prepared in accordance with Article 5(2) of the Prospectus Directive (Directive 2003/71/EC) and must be read as an introduction to the Registration Document and Prospectus prepared by the Issuer relating to the Notes referred to below. Any decision to invest in any Notes should be based on a consideration of the Prospectus as a whole, including the documents incorporated by reference. No civil liability will attach to the Issuer solely on the basis of the summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus. Where a claim relating to the information contained in the Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated.

Words and expressions defined in the section headed "Conditions of the Notes" or the section headed "Definitions" have the same meanings in this summary.



Commentary on Diagram

- (1) ABN AMRO Bank N.V. issues the ABN AMRO Valuta Notes 2005 - 2015.
- (2) The price of the Notes is directly related to the value of the Balanced Portfolio, which is comprised of the Cash Component, the Equity Component and the Bond Component.
- (3) The Cash Component represents the Balanced Portfolio's notional cash balances per Note.

The Equity Component represents the Balanced Portfolio's notional exposure per Note to the performance of the Class Q Shares of Prime Investments Managed Account Master Limited and it comprises a notional investment in the Class Q Fund.

The Bond Component represents the Balanced Portfolio's notional exposure per Note to cash deposits held with the ABN AMRO Bank N.V., denominated in EUR. Each such deposit matures with a value of EUR 1.00 on the Scheduled Maturity Date of the Notes and is not interest bearing.

Broadly, the notional Balanced Portfolio will comprise a Cash Component, Equity Component and a Bond Component. If the value of the Equity Component increases, more funds may be notionally invested in the Equity Component. However, if the value of the Equity Component decreases below the Bond Floor Value, the Equity Component will be decreased and the proceeds invested in the Bond Component.

The Profit Lock-in Feature is a mechanism for ensuring profits arising from an increase in the value of the Balanced Portfolio Value above certain Threshold Levels on specified dates are preserved in the event of subsequent down-turns in performance. The Threshold Levels occur each EUR 0.25 above the Face Value. For example, the first five Threshold Levels will be EUR 1.25, 1.50, 1.75, 2.00 and 2.25. Each time a Threshold Level is reached, the aggregate Locked-In Amount will increase to half of the difference between the respective Threshold Level and the Face Value.

In this Prospectus, "notional" shall mean that there is no obligation on the Issuer to make an actual investment in any of the Balanced Portfolio Components.

Essential Characteristics of the Notes

Issuer	ABN AMRO Bank N.V., London Branch. The Issuer is a member of the ABN AMRO group (" The ABN AMRO Group "). The ABN AMRO Group is a prominent international banking group offering a wide range of banking products and financial services on a global basis through a network of 3,870 offices and branches in 58 countries and territories as of year-end 2004. The ABN AMRO Group is one of the largest banking groups in the world, with total consolidated assets of €608.6 billion at 31 December 2004. The ABN AMRO Group is the largest banking group in The Netherlands and has a substantial presence in Brazil and the Midwestern United States, its three "home markets". It is one of the largest foreign banking groups in the United States, based on total assets held as of 31 December 2004. The Issuer is listed on Euronext Amsterdam and the New York Stock Exchange (among others). The ABN AMRO Group implements its strategy through a number of global (Strategic) Business Units, each of which is responsible for managing a distinct client or product segment. Its client-focused (Strategic) Business Units are: Customer & Commercial Clients, Wholesale Clients, Private Clients, Asset Management and Transaction Banking Group. In addition, it has the following internal Business Units: Group Shared Services and Group Functions. Its (Strategic) Business Units are present in all countries and territories in which The ABN AMRO Group operates, with the largest presence in its home markets. For detailed information concerning the Issuer see the Registration Document.
Paying Agent	ABN AMRO Bank N.V.
Calculation Agent	ABN AMRO Bank N.V., London Branch.
Administrator	Equity Trust Company (Curaçao) N.V.
Issue Date	7 November 2005. The Issuer reserves the right, in its sole and absolute discretion, to amend the Issue Date at any time prior to 7 November 2005.
Issue Price	101.5% of Face Value.
Minimum Redemption Amount	100% of Face Value, plus any Locked-In Amount.
Face Value	EUR 1.00 per Note.
Size of Note Issue	The minimum Note issue will be EUR 20,000,000 (or such lower amount as the Issuer may determine) and the maximum Note issue will be EUR 100,000,000 (or such higher amount as the Issuer may determine).
Minimum Subscription	There is a minimum subscription of 1,000 Notes and thereafter in multiples of 1 Note. The Notes are denominated in individual denominations of EUR 1.00.
Minimum Trading Size	The minimum trading size is 1 Note and thereafter in multiples of 1 Note.
Subscription	The subscription period runs from 3 October 2005 to 28 October 2005. The Issuer reserves the right, in its sole and absolute discretion, to terminate or extend without

Period	notice the subscription period at any time prior to 28 October 2005.
Maturity Date	This means the later of: (i) the Scheduled Maturity Date; and (ii) the twentieth Business Day after the Terminal Allocation Date. Each outstanding Note will be redeemed on the Maturity Date.
Terminal Allocation Date	The twentieth Business Day prior to the Scheduled Maturity Date <i>provided that</i> if a Suspension Event occurs or is continuing on the Terminal Allocation Date, the Terminal Allocation Date will be postponed at the sole and absolute discretion of the Issuer, to a date as soon as practicable following the end of the Suspension Event. In such event, the Maturity Date may be postponed accordingly.
Scheduled Maturity Date	The tenth Anniversary of the Issue Date, or if such day is not a Business Day, the immediately preceding Business Day.
Final Redemption Amount	The Notes entitle the Noteholder to receive the Final Redemption Amount from the Issuer on the Maturity Date. The Final Redemption Amount is the higher of: (i) the Minimum Redemption Amount; and (ii) the Balanced Portfolio Maturity Value as at the Maturity Date.
Locked-In Amount	Any amounts locked-in pursuant to the Profit Lock-In Feature
Listing	Application has been made for the listing of the Notes on Eurolist.
Secondary Market	Subject to the section headed " <i>Temporary Suspension of dealing in Notes</i> " below, the Issuer will endeavour to maintain a secondary market in the Notes throughout their life. Therefore, Noteholders may be able to buy or sell Notes before the Maturity Date subject to the Minimum Trading Size.
Temporary Suspension of dealing in Notes	<p>There are certain circumstances in which the Issuer may not provide a bid or offer price for the Notes or settle following the acceptance of a bid price or offer price, such that Noteholders may be unable to sell or purchase Notes on such day or days which include but are not limited to:</p> <ul style="list-style-type: none"> (a) the Administrator failing to calculate and publish the Net Asset Value per Class Q Fund Share on a given date; (b) the Calculation Agent reasonably considers that the Net Asset Value of the Class Q Fund does not reflect the net asset value of the assets attributable to the Class Q Fund as they would have been determined by independent auditors of the net asset value of such assets using recognised accounting standards and the Calculation Agent is unable to establish a value for the Class Q Fund; (c) any circumstances in which the notional disposal by the Issuer of any of its notional investments attributable to the Balanced Portfolio is not practical or is detrimental or prejudicial to Noteholders; the proceeds of the realisation of the Class Q Shares cannot be transmitted to or from the account of the Master Company account; and (d) the proceeds of the realisation of the Class Q Shares cannot be transmitted to or from the Master Company's account; and (e) any period of market turmoil as determined by the Calculation Agent at its

absolute discretion.

Balanced Portfolio	The Balanced Portfolio is comprised of three components, the notional investments, which are subject to a dynamic allocation process. The objective of the Balanced Portfolio is to deliver capital growth over the duration of the Notes. The three components of the Balanced Portfolio are the Equity Component, the Bond Component and the Cash Component.
Balanced Portfolio Value	The sum of the values of the Balanced Portfolio Components (expressed in EUR).
Equity Component	The Equity Component represents the Balanced Portfolio's exposure per Note to the performance of the Class Q Fund of the Master Company and comprises a notional investment in Class Q Shares.
Bond Component	The Bond Component represents the Balanced Portfolio's notional exposure per Note to Eligible Collateral and comprises a notional investment in Eligible Collateral.
Cash Component	The Cash Component represents the Balanced Portfolio's notional cash balances per Note. Such a notional cash balance may be positive or negative and represents any assets and/or liabilities in the form of cash (other than the Equity Component and the Bond Component) attributable to the Balanced Portfolio (including without limitation, fees and expenses) as determined by the Calculation Agent.
Eligible Collateral	One or more notional cash deposits with the Issuer, denominated in EUR, each deposit maturing with a value of EUR 1.00 on the Scheduled Maturity Date and not interest-bearing.
Allocation between Balanced Portfolio Components	The initial allocation to the Equity Component shall be an amount equal to the balance of the proceeds from the issue of the Notes after deduction of the Upfront Sales Fee, and shall be equal to EUR 1.00 per Note.
Changes to Balanced Portfolio Components	The Calculation Agent may decrease the allocation to the Equity Component, and increase the allocation to the Cash Component and/or the Bond Component by a commensurate amount, in situations where there has been a breach of the Transaction Documents and such breach has not been cured in the relevant designated time period, provided that such reduction does not result in a change to the Balanced Portfolio Value.
Rebalancing of Cash Component	<p>On:</p> <ul style="list-style-type: none">(a) each occasion that the Locked-In Amount is determined by the Calculation Agent in accordance with the terms of the Profit Lock-In Feature; and(b) each Cash Component Rebalancing Date, <p>the Calculation Agent will reset the then-existing Value of Cash Component to as close to zero as possible. Any such rebalancing shall only be effected to the extent that the Calculation Agent considers it appropriate to do so.</p> <p>Changes to the Balanced Portfolio Components and rebalancing of the Cash Components will be effected by the Calculation Agent as set out and described</p>

more fully in the Conditions. The Calculation Agent has no right to change the Balanced Portfolio Components or rebalance the Cash Component other than in accordance with the Conditions.

Calculation Agent Fee A per Note amount of 0.35% per annum of the Balanced Portfolio Value, subject to a minimum fee of 0.35% of Face Value, calculated on every Calculation Date from (but excluding) the Issue Date up to and including the Scheduled Maturity Date, expressed in EUR, and accrued daily on an actual/360 basis.

Up-front Sales Fee On or shortly after the Issue Date, a payment equal to 1.5 per cent. of the Face Value of each Note sold on the Issue Date will be retained, out of the proceeds of the sale of the Notes by the Issuer to pay distributors (which may include entities or business units within the ABN AMRO Group of companies). This Up-front Sales Fee is already included in the Issue Price of 101.5%.

Protection Premium A per Note amount of 0.90% per annum of the Balanced Portfolio Value, subject to a minimum fee of 0.90% of the Face Value per Note, calculated on every Calculation Date from (but excluding) the Issue Date up to and including the Scheduled Maturity Date, expressed in EUR and accrued daily on an actual/360 basis. If a Cash-Out Event occurs, no further Protection Premium will accrue from (and including) the date on which the Cash-Out Event has occurred.

Compulsory Redemption The Issuer shall be entitled to redeem or require the transfer, at the Balanced Portfolio Value as of the relevant Compulsory Redemption Date, of any or all of the Notes at any time prior to the Maturity Date if in the opinion of the Issuer such Notes are held directly or beneficially by any Non-Qualified Person and/or in circumstances where a Noteholder objects to disclosing its identity and/or such a redemption would eliminate or reduce the exposure of the Issuer or of Noteholders to adverse taxation consequences under the laws of any country.

Mandatory Redemption In the event:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of The Netherlands or the United Kingdom or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the Notes; or
- (b) it becomes unlawful in any applicable jurisdiction for the Issuer to perform any of its obligations as contemplated by the Notes,

the Issuer may designate a Mandatory Redemption Date in which case the actions set out under "*Actions to be performed on the Terminal Allocation Date*" shall be followed.

Cash-Out Events There will be a Cash-Out Event on the occurrence of any of the following (unless waived by the Issuer, at the absolute discretion of the Issuer):

- (a) the Equity Gap becomes less than or equal to the Cash-Out Level on any Calculation Date;

- (b) a Class Q Fund Event has occurred;
- (c) the aggregate face value of the remaining outstanding Notes is less than or equal to the higher of:
 - (i) EUR 5,000,000; and
 - (ii) 10% of the Face Value of the Notes issued on the Issue Date of the Notes;
- (d) a breach of, or an inability to perform, by the Investment Manager and/or Administrator of their respective obligations under any agreement entered into by them in relation to the Master Company which is not remedied immediately upon notice of such breach being given to the party in breach, or within any cure period specified in the relevant agreement; or
- (e) a compulsory redemption of all Class Q Shares is declared by the Master Company.

Consequences of a Cash-Out Event If a Cash-Out Event occurs the value of the Equity Component will be notionally realised and the Balanced Portfolio will be comprised entirely of the Bond Component.

Actions to be performed on the Terminal Allocation Date On the Terminal Allocation Date, the Value of Equity Component will be notionally realised and entirely allocated to the Cash Component. Consequently, following the Terminal Allocation Date, the value of the Notes will no longer be determined by reference to the Equity Component.

Cash-Out Level For any Calculation Date, this is equal to 4.5% of the Face Value.

Suspension Event This means, in the sole and absolute determination of the Calculation Agent, any suspension of, or limitation on, the calculation and/or publication of the Balanced Portfolio Value and/or the Net Asset Value per Class Q Fund Share for any reason, or any suspension of or limitation on the trading of Class Q Shares. Any such Suspension Event shall continue until the Calculation Agent has determined that the event(s) that triggered such Suspension Event has been resolved to the Calculation Agent's satisfaction.

If a Suspension Event has occurred and/or is continuing on a Compulsory Redemption Date, a Mandatory Redemption Date or the Terminal Allocation Date, the Issuer shall postpone the occurrence of such Compulsory Redemption Date, Mandatory Redemption Date or Terminal Allocation Date until as soon as practicable following the end of the Suspension Event.

Governing Law The Notes will be created under and governed by English Law.

Taxation Investors should also note that payments in respect of the Notes may be subject to deductions. These deductions are defined in the Conditions (see more specifically Condition 12 (*Tax*)). This means that deductions for Taxes may be made in respect of any amount which may be due under the Notes.

Status of the Notes The Notes will constitute unsubordinated and unsecured obligations of the Issuer and will rank equally among themselves and, with the exception of certain obligations given priority by applicable law, will rank *pari passu* with all other present and future outstanding unsecured and unsubordinated obligations of the

Issuer.

Risks

There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Notes. These include the fact that the Issuer's results can be adversely affected by: (i) general economic conditions; (ii) competition; (iii) regulatory change; and (iv) standard banking risks including changes in interest and foreign exchange rates and operational, credit, market, liquidity and legal risk. For further details, see the section headed "*Risk Factors Relating to the Notes*" in this Prospectus.

In addition, there are certain factors, which are material for the purpose of assessing the market risks associated with the Notes. These include: (i) interest and currency exchange rate risks; (ii) the potential volatility in the value of the Notes and/or the Balanced Portfolio Components; and (iii) the Notes are a medium term investment and there is no guarantee of a positive return on investment for Noteholders, particularly if they redeem or the Notes are redeemed early.

Essential Characteristics of the Class Q Fund

Class Q Fund	This means a distinct account within the Master Company that is a segregated account for the purposes of the SAC Act to which the proceeds of the issue of the Class Q Shares are notionally credited. In the case of the Notes, the relevant segregated account has been designated as the " Class Q Fund ".
Master Company	Prime Investments Managed Account Master Limited.
Investment Strategy of the Class Q Fund	The objective of the Master Company with respect to the Class Q Fund is to achieve medium-term capital gains in the Net Asset Value of the Class Q Fund either through the implementation of a quantitatively driven currency investment process or by buying currency fund shares, while closely monitoring and controlling risk.
Potential Class Q Fund Events and Class Q Fund Events	Potential Class Q Fund Events are certain events affecting the Master Company and/or the Calculation Agent. Class Q Fund Events are Potential Class Q Fund Events that the Calculation Agent, in its absolute discretion, determines will constitute a Class Q Fund Event. A Class Q Fund Event constitutes a Cash-Out Event. The consequences of a Cash-Out Event are set out above in the section titled " <i>Cash-Out</i> Events".
The Investment Manager	The Master Company, on behalf of the Class Q Fund, will enter into an Investment Management Agreement to appoint ABN AMRO Investment Management Limited, a company incorporated under the laws of England and Wales with limited liability, whose registered office is at 250 Bishopsgate, London, EC2M 4AA, England, as the Investment Manager.

RISK FACTORS RELATING TO THE NOTES

The Issuer disclaims any responsibility to advise prospective purchasers of any matters arising under the laws of the country in which they reside that may affect the purchase of, or holding of, or the receipt of payments on the Notes. These persons should consult their own legal and financial advisors concerning these matters. This section describes generally the most significant risks of investing in the Notes. Each investor should carefully consider whether the Notes, as described herein, are suited to its particular circumstances before deciding to purchase any Notes.

Prospective investors should read the entire Prospectus. Words and expressions defined elsewhere in this Prospectus have the same meanings in this section. Prospective investors should consider, among other things, the following:

Part A - General risk factors

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

Each potential investor in the Notes should refer to the Risk Factors section of the Registration Document for a description of those factors which may affect the Issuer's ability to fulfil its obligations under the Notes.

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

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes or where the currency for payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Modification, waivers and substitution

Condition 15.2 (*Meetings of Noteholders*) contains provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Condition 15.3 (*Modification*) also provides that the Issuer may decide, without the consent of the Noteholders, to any modification of any of the Conditions either:

- (a) for the purpose of curing any ambiguity or of curing, correcting or supplementing any manifest or proven error or any other defective provision contained herein or therein; or
- (b) in any other manner which is not materially prejudicial to the interests of the Noteholders.

Notes held in global form

The Notes will initially be held by a the Common Depository, in the form of a global Note which will be exchangeable for Definitive Notes in limited circumstances as more fully described in the section headed "*Summary of Provisions Relating to the Notes while in Global Form*" below. For as long as any Notes are represented by a global Note held by the Common Depository, payments of principal and any other amounts on a global Note will be made through Euroclear and/or Clearstream against presentation or surrender (as the case may be) of the relevant global Note and, in the case of a Temporary Global Note, certification as to non-U.S. beneficial ownership. The bearer of the relevant global Note, being the Common Depository, shall be treated by the Issuer and any Paying Agent as the sole holder of the relevant Notes represented by such global Note with respect to the payment of principal and any other amounts payable in respect of the Notes.

Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures for the time being of the Common Depository.

Nominee Arrangements

Where a nominee service provider (meaning an accountholder in the Clearing Systems through whom a Noteholder holds its Notes) is used by an investor to hold the relevant Notes or such investor holds interests in the Notes through accounts with a clearing system, such investor will receive payments in respect of principal or any other amounts due, as applicable, solely on the basis of the arrangements entered into by the investor with the relevant nominee service provider or clearing system, as the case may be. Furthermore, such investor must rely on the relevant nominee service provider or clearing system to distribute all payments attributable to the relevant Notes which are received from the Issuer. Accordingly, such an investor will be exposed to the credit risk of, and default risk in respect of, the relevant nominee service provider or clearing system, as well as the Issuer.

For the purposes of: (i) distributing any notices to Noteholders; and (ii) recognising Noteholders for the purposes of attending and/or voting at any meetings of Noteholders, the Issuer will recognise as Noteholders only those persons who are at any time shown as accountholders in the records of Euroclear and/or Clearstream as persons holding a principal amount of the Notes. Accordingly, an investor must rely upon the nominee service provider which is the accountholder with the relevant clearing system through which the investor made arrangements to invest in the Notes (and, if applicable, the domestic clearing system through which the Notes are held), to forward notices received by it from Euroclear and/or Clearstream and to return the investor's voting instructions or voting certificate application to Euroclear and/or Clearstream. Accordingly, such an investor will be exposed to the risk that the relevant nominee service provider or clearing system may fail to pass on the relevant notice to, or fail to take relevant instructions from, the investor.

In addition, such a Noteholder will only be able to sell any Note held by it prior to its stated maturity date with the assistance of the relevant nominee service provider.

Neither the Issuer nor the Custodian shall be responsible for the acts or omissions of any relevant nominee service provider or clearing system nor makes any representation or warranty, express or implied, as to the services provided by any relevant nominee service provider or clearing system.

Change of law and jurisdiction

The conditions are based on English law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change to English law or administrative practice after the date of this Prospectus.

Prospective investors should note that the courts of England and Wales shall have jurisdiction in respect of any disputes involving the Notes. Noteholders may take any suit, action or proceedings arising out of or in connection with the Notes against the Issuer in any court of competent jurisdiction. English law may be materially different from the equivalent law in the home jurisdiction of prospective investors in its application to the Notes.

The secondary market generally

ABN AMRO Bank N.V. will endeavour to maintain a secondary market in the Notes throughout their life. Therefore Noteholders may be able to buy or sell Notes before the Maturity Date subject to the Minimum Trading Size. However, in certain circumstances, the Bank may not provide a bid price and/or offer price on a particular day or for a period of days and Noteholders may be unable to sell or purchase Notes on such day or days (see the section titled "*Temporary suspension of dealing in Notes*" above).

Exchange rate risks and exchange controls

The Issuer will redeem the Notes for EUR. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than EUR. These include the risk that exchange rates may significantly change (including changes due to devaluation of EUR or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the EUR would decrease: (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes; and (iii) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less principal than expected, or no principal.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent: (i) Notes are legal investments for it; (ii) Notes can be used as collateral for various types of borrowing; and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Issuer credit risk

The risk that the Issuer will be unable to pay amounts due under the Notes is known as credit risk. The Notes will constitute unsubordinated and unsecured obligations of the Issuer and will rank equally among

themselves and equally with all other unsubordinated and unsecured obligations of the Issuer (other than obligations preferred by mandatory provisions of law). If you purchase Notes, you are relying on the creditworthiness of the Issuer and no other person. If the Issuer becomes unable for any reason to fulfil its obligations then the Noteholder may suffer a total loss of principal.

Volatility of the value of the Notes

The Notes entitle the Noteholder to receive the Final Redemption Amount from the Issuer on the Maturity Date. In order to receive the Final Redemption Amount, Noteholders need to hold the Notes until the Maturity Date. Accordingly, only those persons who could sustain a loss in their investment due to an early sale of their Notes on Eurolist should make an investment.

The extent to which, if any, the Final Redemption Amount exceeds the Minimum Redemption Amount will be determined by reference to changes in the values of the components of the Balanced Portfolio. The return on the Notes may vary significantly over the life of the Notes, and may decrease as well as increase.

The Issuer makes no representation as to any return that investors will earn on the Notes or as to the correlation of the Notes with other instruments in the future. Several factors beyond the control of the Issuer may influence the value of the Notes, including:

- (a) the value of the Class Q Shares;
- (b) the volatility (i.e. the frequency and magnitude of changes) in the price of the components of the Balanced Portfolio;
- (c) currency exchange rates, interest rates and yields in the market generally. The Balanced Portfolio entails the calculation of an amount in EUR which is reflective of the Equity Component, the Bond Component and the Cash Component, the value of each of which may be affected by these factors; and
- (d) economic, financial, political and regulatory or judicial events that affect the financial markets generally and which may affect the market price of the components of the Balanced Portfolio.

Some or all of these factors will influence the price that Noteholders will receive if they sell the Notes.

THE PRICE AT WHICH A NOTEHOLDER WILL BE ABLE TO SELL OR REDEEM PRIOR TO THE MATURITY DATE MAY BE AT A DISCOUNT TO THE FACE VALUE OF THE NOTES, DUE TO THE FOREGOING FACTORS.

Cash-Out Event

On the occurrence of a Cash-Out Event, the entire notional holding of Class Q Shares attributable to the Balanced Portfolio (if such Class Q Shares have not already been notionally redeemed) shall be notionally realised.

On the occurrence of any Cash-Out Event the notional proceeds of such realisation together with the Cash Component will be used notionally to purchase zero coupon bonds which shall increase the allocation to the Bond Component.

Therefore, following a Cash-Out Event, the Balanced Portfolio will only consist of the Bond Component and accordingly, from that time, the Notes will no longer provide Noteholders with exposure to the performance of the Class Q Shares. If this happens then, on the Maturity Date, Noteholders will receive no less than the Minimum Redemption Amount as of the date on which the relevant Cash-Out Event occurred.

Suspension Event shall lead to a postponement of the Maturity Date

In the event that Suspension Event (as defined in the Conditions) has occurred or is continuing on the Terminal Allocation Date, the Issuer shall postpone the occurrence of the Terminal Allocation Date until as soon as practicable following the end of the Suspension Event. This will mean that the Maturity Date occurs after the Scheduled Maturity Date.

Terminal Allocation

On the Terminal Allocation Date the entire notional holding of Class Q Shares attributable to the Balanced Portfolio (if such Class Q Shares have not already been notionally redeemed) shall be notionally realised and the notional proceeds of such realisation together with the Bond Component will be used to increase the allocation to the Cash Component.

Return on an investment in the Notes will be affected by charges incurred by investors

An investor's total return on an investment in the Notes will be affected by the fees outlined in the section headed "*Fees, Costs and Expenses*" and any fees charged by a nominee service provider and/or clearing system used by the investor. Such a person or institution may charge fees for the opening and operation of an investment account, transfers of Notes, custody services and on payments on the Notes. Potential investors are therefore advised to investigate the basis on which any such fees will be charged on the relevant Notes.

Tax consequences of holding the Notes

Potential investors should consider the tax consequences of investing in the Notes and consult their tax adviser about their own tax situation. For a summary of the principal tax consequences of the acquisition, holding, redemption and disposal of Notes see Condition 12 (*Tax*).

No tax gross-up

If payments on the Notes become subject to a withholding or deduction required by law on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed by or on behalf of the Netherlands, the United Kingdom or any political subdivision or any authority thereof or therein having power to tax, the Issuer will make the required withholding or deduction for the account of the Noteholders, as the case may be, and shall not pay any additional amounts to the Noteholders. See Condition 12 (*Tax*).

Notes are a medium to long-term investment

Investment in the Notes may not be suitable for all investors. There is no redemption mechanism for the Notes at the option of the Noteholder. Accordingly, the Notes are a medium to long-term investment unless sold on the secondary market.

Early Redemption at the option of the Issuer may result in Noteholders receiving less than the Nominal Amount

The Notes may be redeemed prior to maturity pursuant to a Compulsory Redemption or Mandatory Redemption of Notes. See Condition 7 (*Mandatory Redemption*) and Condition 8 (*Compulsory Redemption*) for further details of these events. In such circumstances Noteholders will receive an amount per Note equal to the Balanced Portfolio Value on the date fixed for redemption, less (in certain circumstances) any costs associated with such early redemption. It is therefore possible that the amount paid in such circumstances will be less than the Face Value of the Note.

Noteholders may be exposed to interest rate risk

Noteholders may have exposure to interest rate risk. To the extent that prevailing interest rates change, it could negatively affect the value of the Notes.

Notes are unsecured obligations - no shareholder or equivalent rights

The Notes represent general contractual obligations of the Issuer. The Notes will not be secured by any property of the Issuer and rank equally with all other unsecured and unsubordinated obligations of the Issuer. Neither the Calculation Agent nor the Issuer is required to purchase any of the components of the Balanced Portfolio and consequently the assets comprising the components of the Balanced Portfolio may not actually be held by the Issuer. Noteholders will not have voting rights nor rights to receive dividends or other distributions nor any other rights in the components of the Balanced Portfolio, and will not be entitled to receive physical delivery of any of the components of the Balanced Portfolio at any time.

Limited Information

No representation or warranty, whether implied or otherwise, is given by the Issuer as to the future performance of the Class Q Shares.

The Issuer is not a source of advice or credit analysis with respect to the Balanced Portfolio or the assets notionally comprised in the Balanced Portfolio. However, information on the composition of the Balanced Portfolio can be obtained from the Calculation Agent upon written request.

The Issuer is not a source of advice, information or credit analysis with respect to the Class Q Fund, the Class Q Shares or the underlying assets of the Class Q Fund. However, information on the Class Q Fund or the Class Q Shares can be obtained from the Administrator upon written request.

In particular this Prospectus does not constitute investment advice. The Issuer does not assume any obligation to or relationship of agency or trust with any purchaser or prospective purchaser of the Notes.

Part B - Risk factors relating to the Class Q Fund

Master Company may Invest in Volatile Markets

The risk involved in this type of investment is greater than that normally associated with other types of investment, as the forward foreign exchange contracts in which the Master Company proposes to invest can be subject to sudden, unexpected and substantial price movements. Consequently, the trading of forward foreign exchange contracts can lead to substantial losses as well as gains in the Net Asset Value per Class Q Share within a short period of time. Accordingly, an investment should be made only by those persons who could sustain a loss in their investment.

The Master Company with respect to the Class Q Fund may make investments in markets that are volatile and which may become illiquid. Accordingly, it may be impossible (in the event of trading halts or daily price fluctuation limits on the markets traded or otherwise) or expensive for the Master Company with respect to the Class Q Fund to liquidate positions against which the market is moving. Alternatively it may not be possible in certain circumstances for a position to be initiated or liquidated promptly (in the event of insufficient trading activity in the relevant market or otherwise). These risks may be accentuated where the Master Company with respect to the Class Q Fund is required to liquidate positions to meet margin calls or other funding requirements.

Investors should Carefully Consider the Investment Objectives of the Master Company

Investors should carefully consider the investment objectives of the Master Company as set out in the section titled "*What is the Investment Manager's Investment Strategy?*" and in the Master Company By-laws. There can be no guarantee that the Master Company or the Investment Manager will realise the investment objectives.

The Class Q Fund has no Operating History

The Class Q Fund has no operating history, although the Investment Manager, the Administrator and the Prime Broker all have operating histories. Some of these histories may be relatively short and the strategies applied in relation to the Notes may not previously have been used. As the Class Q Fund has no operating history, there is no way to evaluate the past performance of the Class Q Fund. No assurance can be given with respect to the performance of the Class Q Fund or the Balanced Portfolio and no assurance can be given as to whether, or to what extent, the Final Redemption Amount will exceed the Minimum Redemption Amount.

Master Company may use Leverage

In order to implement the investment objective, the Master Company in respect of the Class Q Fund will own a managed account which may use certain forms of leverage. While leverage presents opportunities for increasing total return, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of a position in the managed account would be magnified to the extent leverage is employed. The cumulative effect of the use of leverage in a market that moves adversely to a leveraged investment could result in a substantial loss, which would be greater than if leverage were not used.

Generally, most leveraged transactions involve the posting of collateral. Increases in the amount of margin or similar payments could result in the need for trading activity at times and prices which could be disadvantageous to the managed account owned by the Master Company and could result in substantial losses. The investment objective may require the use of considerable leverage. There can be no assurance that the leverage facilities will always be available and a loss of, or reduction in, the leverage facilities is likely to have the effect of causing the Master Company with respect to the Class Q Fund to reduce its

overall investment exposure. Terms upon which leverage facilities are available may be subject to change.

To the extent that margin monies of the Master Company with respect to the Class Q Fund held by its prime broker are placed with a market counterparty of the prime broker, such margin monies may be pooled with margin monies of other customers of both the prime broker and the market counterparty that are held with such market counterparty and may be exposed to loss through netting in the event of the market counterparty's insolvency.

Investments made on behalf of the Master Company may be Concentrated

Investments made on behalf of the Master Company with respect to the Class Q Fund may be concentrated and a significant proportion of its assets may be denominated in a single currency. To the extent that there is a concentration in a single currency, the overall impact of adverse developments in the currency could be considerably greater than if there had not been such a concentration in that currency.

The performance of the Notes will be affected by charges related to the investments of the Master Company with respect to the Class Q Fund.

The Master Company with respect to the Class Q Fund may be engaged in a high level of portfolio turnover. Typically, high portfolio turnover may result in correspondingly high transaction costs and the exact amount of brokerage and related transaction costs that will be incurred will depend upon a number of factors including the nature and frequency of the market opportunities presented, the size of transactions and the transaction rates in effect from time to time.

An investment management fee is payable, and a performance fee may be payable, by the Master Company to the Investment Manager in respect of the Class Q Fund. Payment of those fees will reduce the Net Asset Value of the Class Q Fund accordingly.

The Master Company may rely on the Investment Manager's analytical investment processes

The Master Company with respect to the Class Q Fund may employ certain strategies, that depend upon the reliability and accuracy of the Investment Manager's analytical investment processes. To the extent such investment processes (or the assumptions underlying them) do not prove to be correct, the Master Company with respect to Class Q Fund may not perform as anticipated, which could result in Noteholders only receiving the Minimum Redemption Amount on the Maturity Date.

Identification and exploitation of the investment objective to be pursued by the Investment Manager involves a high degree of uncertainty. No assurance can be given that the Investment Manager will be able to locate suitable investment opportunities in which to deploy all of the allocated assets.

No assurance can be given that the strategies employed by the Investment Manager in the past to achieve attractive returns will continue to be successful or that the return on the Master Company's investments will be similar to that achieved by the Investment Manager in the past.

Tax Treatment of the Master Company

The directors of the Master Company intend to manage and conduct the affairs of the Master Company in such a way that it should not be deemed to be engaged in a trade or business in the United States and will not therefore be liable to US Federal Taxes. If any of the activities were deemed to constitute a trade or business in the US, then US Federal income taxes may apply. Any such taxes would adversely affect the investment performance of the Notes.

The directors of the Master Company intend to manage and conduct the affairs of the Master Company in such a way that it will be treated as neither resident in the United Kingdom ("UK") for UK tax purposes

nor carrying on a trade in the UK, and thus not be subject to tax in the UK on their profits (other than in respect of tax deducted at source). However, if the Master Company were deemed to be either resident in the UK for tax purposes or carrying on a trade in the UK it would be subject to UK tax. Any such UK tax exposure would adversely affect the investment performance of the Notes.

Political/Economic Risk

Changes in economic, tax or foreign investment policies, or other political, governmental or economic actions can adversely affect the value of the securities in the Class Q Fund.

Regulatory Risk

In foreign countries, accounting, auditing and financial reporting standards and other regulatory practices and requirements are generally different from those required for domestic companies.

Material factors for assessing the market risks associated with the Class Q Fund

Please note that the return of the Notes is **not** calculated by reference to the value of the Class Q Shares, but is calculated by reference to the Balanced Portfolio Value only. However you should be aware of the risks associated with the Master Company (and therefore the Class Q Shares) as this may affect the Balanced Portfolio Value.

The Master Company with respect to the Class Q has no operating history.

Risk factors associated with the SAC Act

The Master Company has been registered as a segregated accounts company under the SAC Act (as defined in the section headed "*Definitions*"). As a segregated accounts company it is permitted to create segregated accounts in order to segregate the assets and liabilities attributable to a particular class or series of securities from the assets and liabilities attributable to each other class or series of securities, and from its general assets and liabilities. Segregated account assets are only intended to be used to meet liabilities to creditors in respect of a particular segregated account and are not intended to be available to meet liabilities to creditors in respect of other segregated accounts or, except where otherwise agreed, to general creditors of the company. However, to the knowledge of the Master Company, the SAC Act has not yet been considered by the courts of Bermuda or any other jurisdiction. It is possible that the SAC Act will not be recognised in some jurisdictions or will be construed in a manner which is contrary to the intent of the legislation.

If any assets of the Master Company attributable to a segregated account are located in a jurisdiction other than Bermuda and proceedings are brought in respect of them in that jurisdiction, it is possible that the courts of that jurisdiction may disregard the structure contemplated by the SAC Act. More specifically, courts in jurisdictions other than Bermuda may not be prepared to accept that creditors in respect of a particular segregated account are prevented from gaining recourse to the assets of other segregated accounts, or that general creditors of the company as a whole do not have recourse to those assets specifically designated as segregated account assets. If a liability (e.g. a fine or tax) is imposed on the Master Company by any authority, it is possible that courts of Bermuda or other jurisdictions would impose or distribute that liability as among the general account of the company and the various segregated accounts. See also "*Legal Issues relating to segregated accounts*" in the section headed "*Further Information on the Master Company*".

Part C - Conflicts of interest

Conflicts of interest with respect to the Notes

ABN AMRO Bank N.V. as the Issuer, Calculation Agent, Paying Agents and Listing Agent is acting in more than one capacity with respect to the Notes and in its role as Calculation Agent could make determinations that influence the amount receivable upon the Maturity Date of the Notes, as well as any adjustments to the Balanced Portfolio made to reflect certain events. In doing so it is not necessarily obliged to act in the interests of Noteholders.

Potential conflicts of interest may exist between the interests of ABN AMRO Group and the Noteholders with respect to the Notes and with respect to the other businesses of ABN AMRO Group. ABN AMRO Group or its respective affiliates may enter into other business dealings from which they may derive revenues and profits in addition to the fees described herein, and neither party has any duty to account to the Noteholders for such other revenues and profits. In addition, ABN AMRO Group or its respective affiliates may invest, for their own accounts (whether for hedging purposes or otherwise) or for the accounts of their affiliates or clients, in Class Q Shares or in debt instruments issued by ABN AMRO Group economically equivalent to the Eligible Collateral (or in proxies therefor or components thereof) and in making such investments, neither ABN AMRO Group nor any such affiliate has any duty to do so in a way that is favourable to the Noteholders. At any time, ABN AMRO Group may sell or buy Class Q Shares or debt instruments issued by ABN AMRO Group economically equivalent to the Eligible Collateral (or proxies therefore or components thereof) for its own account, or account of its affiliates or clients, and at the same time notionally take the opposite position with respect to such assets for the Balanced Portfolio. All of such market activities may, but are not intended to, affect the prices of the components of the Balanced Portfolio and, possibly, the payments that Noteholders will receive on the Maturity Date or any day on which they sell their Notes. ABN AMRO Group may also introduce products that compete with the Notes in the marketplace (which may or may not be listed to or track any of the components of the Balanced Portfolio or components thereof), and the related market activity with respect to such products could adversely affect the value of the Notes.

While the Calculation Agent currently employs the methodology described in the Conditions to make determinations in relation to the Balanced Portfolio, no assurance can be given that no market, regulatory, juridical, or fiscal circumstances will not arise that would, in the view of the Calculation Agent, necessitate a modification or change of such methodology. The Calculation Agent will use reasonable efforts to ensure that such modifications or changes will result in a treatment that is consistent with the methodology described in the Conditions.

Conflicts of interest with respect to the Class Q Fund

ABN AMRO Group or any of its affiliates may presently or from time to time engage in business with the Investment Manager or any other company involved in or connected with the Class Q Fund, including making loans to, making equity investments in or providing advisory services to, including mergers and acquisitions advisory services, such entities. In particular, as at the date of this Prospectus, ABN AMRO Asset Management Limited is the Investment Manager. In conducting such activities, ABN AMRO Group and its affiliates may earn fees or commissions and have no duty to act in the interests of Noteholders.

The Investment Manager, the Issuer, the Calculation Agent, the Listing Agent and the Paying Agents are all affiliated companies in the ABN AMRO Group and certain conflicts of interest in connection with the Investment Manager may arise due to such affiliation as well as the other activities in which the Investment Manager and its affiliates engage. In conducting such other activities, the Investment Manager and its affiliates will have no obligation to act in the interests of the Class Q Fund.

There may be potential conflicts of interest between the activities of the Investment Manager and the activities of others using the same investment manager. In order to deal with these conflicts of interest, investment opportunities will be allocated by the Investment Manager in a non-discretionary manner designed to treat each client equally and fairly, but the Investment Manager cannot guarantee equality between all clients.

The Investment Manager or its affiliates may invest in the same investments as the Class Q Fund or may take the same, different or opposite positions to that of the Class Q Fund (as principal or agent) in respect of any instrument or any market.

The Investment Manager may engage for its own account, or for the account of others, in other business ventures of any nature, and the Class Q Fund will not be entitled to any interest therein.

The Investment Manager currently advises and intends to advise additional investment companies and customer accounts in the future. Trading orders for accounts similar to those of the Class Q Fund may occur contemporaneously.

The Master Company (or particular segregated accounts of the Master Company) may engage for its, or their, own account, or for the account of others, in other business ventures of any nature, and the Issuer, and the other segregated accounts of the Master Company (as applicable) will not be entitled to any interest therein.

GENERAL: QUESTIONS AND ANSWERS

The following summary answers some questions that you might have regarding the Notes, in general terms only. It does not contain all the information which may be important to you. You should read the Conditions and the summary together with the more detailed information that is contained in the rest of the Prospectus. You should carefully consider, amongst other things, the matters set out in "Risk Factors Relating to the Notes" above. In addition, we urge you to consult with your investment, legal, accounting, tax and other advisors with respect to any investment in the Notes.

The Information contained in this section is subject in its entirety to the Conditions.

What are the Notes?

The Notes are securities issued by ABN AMRO Bank N.V. The Notes entitle the Noteholder to receive the Final Redemption Amount from the Issuer on the Maturity Date. The extent to which, if any, the Final Redemption Amount will exceed the Minimum Redemption Amount is determined by reference to the Balanced Portfolio Maturity Value as at the Maturity Date and specifically the performance of the Equity Component. Please also see below for the impact of the Profit Lock-In Feature on the Minimum Redemption Amount.

The Final Redemption Amount is defined in the "Conditions" as set out below.

Who is ABN AMRO Bank N.V. and what is its role?

ABN AMRO Bank N.V. is the Issuer of the Notes. ABN AMRO Bank N.V. is a global banking group based in the Netherlands. For detailed information on the Issuer please see the Registration Document. Its long-term senior debt rating is, as at the date hereof, Aa3 (Moody's Investor Services) and AA- (S&P).

The Issuer is also the Calculation Agent and Paying Agents for the Notes. As Calculation Agent and Paying Agents for the Notes, the Issuer monitors the risk and is responsible for all calculations, determinations and payments under the Notes.

As the Notes have a minimum payout of the Minimum Redemption Amount on the Maturity Date, the Bank is also the entity which protects the payment on the Maturity Date of no less than that Minimum Redemption Amount.

Is my investment protected?

Yes, on the Maturity Date, subject as provided below in relation to early redemption by the Issuer or by Noteholders, Noteholders will receive no less than the Minimum Redemption Amount. However, Noteholders should note that the Minimum Redemption Amount is equal to 100 per cent. of the Face Value of the Notes plus any Locked-In Amount. Therefore, depending on the level of the Up-front Sales Fee (as defined in the section "Summary" above) paid by an investor, the Minimum Redemption Amount may be less than the amount paid for the Notes on the Issue Date.

What is the minimum subscription required?

There is a minimum subscription of 1,000 Notes and thereafter in multiples of 1 Note. The Notes are denominated in individual denominations of EUR 1.00.

Where does my money go?

The money you pay is the purchase price for the Notes (including the Up-front Sales Fee).

The Notes entitle the Noteholder to receive the Final Redemption Amount from the Issuer on the Maturity Date. The extent, if any, the Final Redemption Amount will exceed the Minimum Redemption Amount is determined by reference to the performance of the Balanced Portfolio and the Profit Lock-In Feature.

What is the Maturity Date of the Notes?

The Notes are scheduled to mature on the tenth anniversary of the Issue Date or, if such day is not a Business Day, the immediately preceding Business Day.

Will the Notes be listed?

Yes, the Notes will be listed and traded on Eurolist, subject always to the rules of Euronext Amsterdam.

Will there be a Secondary Market in the Notes?

ABN AMRO BANK N.V. will endeavour to maintain a secondary market in the Notes throughout their life. Therefore Noteholders may be able to buy, sell or otherwise transfer Notes on the secondary market before the Maturity Date, subject to the Minimum Trading Size. However, ABN AMRO BANK N.V. may, in certain circumstances, not provide a bid price and/or an offer price on any particular day or for a period of days and therefore Noteholders may be unable to sell or purchase Notes on such day or days. For further details on trading suspensions please see the section "*What is a trading suspension and how will it affect me*" above.

Do the Notes pay a Coupon?

No coupon is payable in respect of the Notes. That is, you will receive no income from the Notes during the life of the Notes.

Who is the Master Company?

Prime Investments Managed Account Master Limited, a company incorporated with limited liability under the laws of Bermuda and registered as a segregated accounts company under the SAC Act of Bermuda and having its registered office at Chancery Hall, 52 Reid Street, Hamilton, HM12 Bermuda.

What are the Class Q Shares?

The Master Company issues the Class Q Shares. The Class Q Shares constitute a segregated account of the Master Company: the "**Class Q Fund**". The Class Q Fund is designed to invest in a quantitatively driven currency process while closely monitoring and controlling risk. Further details of the investment strategy of the Class Q Fund are contained in the section headed "*Summary of the Investment Strategy of the Class Q Fund*" above.

What is the Balanced Portfolio?

The Balanced Portfolio is comprised of three components - the notional investments - which are allocated in accordance with the Conditions of the Notes. The three components of the Balanced Portfolio are the Equity Component, the Bond Component and the Cash Component. The objective of the Balanced Portfolio is to deliver capital growth over the duration of the Notes.

How is the Balanced Portfolio Value calculated?

The Balanced Portfolio value is comprised of the sum of the values of the Balanced Portfolio Components (expressed in EUR). The Balanced Portfolio Value is used as the sole reference basis for determining the value of the Notes.

What is the Equity Component?

The Equity Component represents the Balanced Portfolio's notional exposure per Note to the performance of the Master Company and it comprises a notional investment in the Class Q Shares in the Master Company.

What is the Bond Component?

The Bond Component represents the Balanced Portfolio's notional exposure per Note to Eligible Collateral and it comprises a notional investment in Eligible Collateral. Its value prior to the Maturity Date is determined by reference to the time left to the Maturity Date and a discount rate calculated by reference to the EUR interest rate swap curve adjusted to reflect the Issuer's then current spread for short-term funding, as determined by the Calculation Agent.

What is the Cash Component?

The Cash Component represents the Balanced Portfolio's notional cash balances per Note. Such notional cash balance may be positive or negative and represents any assets and/or liabilities in the form of cash (other than the Equity Component and the Bond Component) attributable to the Balanced Portfolio (including, without limitation, fees and expenses) as determined by the Calculation Agent.

What is the initial allocation between the Equity Component, the Bond Component and the Cash Component?

The initial allocation to the Equity Component shall be an amount equal to the balance of the proceeds from the issue of the Notes after deduction of the Upfront Sales Fee, and shall be equal to EUR1.00.

What is the Profit Lock-In Feature?

The Profit Lock-in Feature is a mechanism for ensuring profits arising from an increase in the value of the Balanced Portfolio Value above certain Threshold Levels on specified dates are preserved in the event of subsequent down-turns in performance. The Threshold Levels occur each EUR 0.25 above the Face Value. For example, the first five Threshold Levels will be EUR 1.25, 1.50, 1.75, 2.00 and 2.25. Each time a Threshold Level is reached, the aggregate Locked-In Amount will increase to half of the difference between the respective Threshold Level and the Face Value.

For example, at Threshold Levels EUR 1.25, 1.50, 1.75, 2.00 and 2.25, the aggregate Locked-In Amount will be EUR 0.125, 0.25, 0.375, 0.50 and 0.625 respectively. Hence the Minimum Redemption Amount increases to EUR 1.125, 1.25, 1.375, 1.50, and 1.625 respectively.

To effect this, Calculation Agent will increase the Bond Component (and decrease the Cash Component) by an amount equal to the present value of such payment on the Scheduled Maturity Date.

How does the Profit Lock-In Feature work?

On the determination of the Balanced Portfolio Value by the Calculation Agent as of a Lock-In Observation Date, the Profit Lock-In Feature will be exercised for a Note provided that:

- (a) the Note is still in issue and has not been redeemed early; and
- (b) the Balanced Portfolio Value as of the relevant Lock-In Observation Date is equal to or greater than a Threshold Level.

In respect of each Threshold Level, the Profit Lock-In Feature shall only be exercised as of the first Lock-In Observation Date in respect of which the Balanced Portfolio Value is equal to or greater than such Threshold Level.

If the Profile Lock-In Feature is exercised:

- (a) the Issuer shall increase the Bond Component (and decrease the Cash Component) by an amount equal to the present value as of such Lock-In Observation Date (determined using the EUR interest rate swap curve adjusted to reflect the Issuer's then current spread for short-term funding, as determined by the Calculation Agent) of the payment on the Scheduled Maturity Date of:
 - (i) (if the Profit Lock-In Feature has not been exercised previously) an amount (in EUR) equal to half of the difference between the Face Value of the Note and the Threshold Level which is nearest to and lower than (or equal to) the Balanced Portfolio Value as of the relevant Lock-In Observation Date; or
 - (ii) (if the Profit Lock-In Feature has been exercised previously) an amount (in EUR) equal to half of the difference between the Threshold Level in respect of which the Profit Lock-In Feature was last exercised and the Threshold Level which is nearest to and lower than (or equal to) the Balanced Portfolio Value as of the relevant Lock-In Observation Date; and
- (b) the Locked-In Amount for each outstanding Note will be increased by the amount determined in (a)(i) or (a)(ii) above.

How does the Rebalancing of the Value of Cash Component occur?

On each occasion that the Locked-In Amount is determined by the Calculation Agent in accordance with the terms of the Profit Lock-In Feature and on each Cash Component Rebalancing Date, the Calculation Agent will reset the then-existing Value of Cash Component to as close to zero as possible. Any such rebalancing shall only be effected to the extent that the Calculation Agent considers it appropriate to do so.

If the Value of Cash Component is to be reduced from a positive number to as close to zero as possible, the Issuer shall increase the Value of Equity Component as soon as practicable following the Cash Component Rebalancing Date by notionally purchasing such number of Class Q Shares as could have been purchased using an amount equal to the amount of the reduction to the Value of Cash Component.

If the Value of Cash Component is to be increased from a negative number to as close to zero as possible, then:

- (a) the Calculation Agent shall determine the difference between the Cash Component and zero;
- (b) the Calculation Agent shall reduce the Equity Component by an amount which would be realised by the notional realisation of a number of Class Q Shares, which if notionally realised at the last available Net Asset Value per Class Q Fund Share, would notionally realise an amount less than or equal to the absolute value of the value determined in (a) above; and
- (c) the Calculation Agent will notionally increase the Cash Component by an amount equal to the amount by which the Equity Component is decreased pursuant to (b) above.

Is this a risky investment?

Yes. Return on your investment is entirely subject to the performance of the Balanced Portfolio, as well as to changes in interest rates.

Can I redeem early?

There is no early redemption mechanism. However, as Euronext Amsterdam will list the Notes on Eurolist, you may be able to trade your Notes via Eurolist subject always to the rules and regulations of Euronext Amsterdam and any potential suspension of dealing. For more information on this please refer

to the Section titled "*Temporary Suspension of dealing in Notes*" above. In addition, ABN AMRO BANK N.V. will endeavour to maintain a secondary market in the Notes throughout their life. For more information on this please refer to the Section titled "*Will there be a Secondary Market in the Notes?*" above.

What is a Cash-Out Event and how will this event affect me?

A Cash-Out Event will occur (unless waived by the Issuer) if:

- (a) the Equity Gap becomes less than or equal to the Cash-Out Level on any Calculation Date;
- (b) a Class Q Fund Event has occurred;
- (c) the aggregate face value of the remaining outstanding Notes is less than or equal to the higher of:
 - (i) EUR 5,000,000; and
 - (ii) 10% of the Face Value of the Notes issued on the Issue Date of the Notes;
- (d) a breach of, or an inability to perform, by the Investment Manager and/or Administrator, any of their respective obligations under any agreement entered into by them in relation to the Master Company which is not remedied immediately upon notice of such breach being given to the party in breach, or within any cure period specified in the relevant agreement; or
- (e) a compulsory redemption of all Class Q Shares is declared by the Master Company.

What is the Equity Gap?

The Equity Gap represents the difference in value between: (i) the Adjusted Balanced Portfolio Value; and (ii) the Bond Floor Value.

What is the Bond Floor Value?

In respect of any Calculation Date, the Bond Floor Value is an amount equal to the present value of the repayment of the Minimum Redemption Amount at the Scheduled Maturity Date, as calculated by the Calculation Agent. Such present value is determined on the basis of: (i) the time left to the Scheduled Maturity Date from the Calculation Date on which the calculation is made; and (ii) a discount rate calculated by reference to the EUR interest rate swap curve adjusted to reflect the Issuer's then current spread for short-term funding, as determined by the Calculation Agent.

What are Potential Class Q Fund Events?

Potential Class Q Fund Events are certain events affecting the Class Q Fund and/or the Investment Manager.

Do I have any right to receive any of the assets in the Balanced Portfolio?

No. The Notes are cash settled only.

Is there a Currency Risk?

Investment in the Notes must be made in EUR. Noteholders having a non-EUR base currency should be aware that exchange rate fluctuations between EUR and their base currency could cause the value of the investment to diminish or increase.

Do the investments made to ensure the return of the Minimum Redemption Amount reduce the potential returns?

Should any allocation be made to the Bond Component, with the aim of ensuring the repayment of the Minimum Redemption Amount, the potential return on the Notes will be diluted.

What is a Suspension Event and how will it affect me?

This means, in the sole and absolute determination of the Calculation Agent, any suspension of or limitation on the calculation and/or publication of the Balanced Portfolio Value and/or the Net Asset Value per Class Q Fund Share for any reason, or any suspension of or limitation on the trading of Class Q Shares. Any such Suspension Event shall continue until the Calculation Agent has determined that the event(s) that triggered such Suspension Event have been resolved to the Calculation Agent's satisfaction.

What is trading suspension and how will it affect me?

Circumstances in which the Issuer may not provide a bid price or an offer price in respect of the Notes, or settle following the acceptance of a bid price or offer price, include but are not limited to the following:

- (a) the Administrator fails to calculate and publish the Net Asset Value per Class Q Share on any Calculation Date;
- (b) the Calculation Agent reasonably considers that the Net Asset Value of the Class Q Fund does not reflect the net asset value of the assets attributable to the Class Q Fund as they would have been determined by independent auditors of the net asset value of such assets using recognised accounting standards, and the calculation Agent is unable to establish a value for the Class Q Fund;
- (c) the notional disposal by the Issuer of any of its notional investments attributable to the Balanced Portfolio is not practical or is detrimental or prejudicial to Noteholders;
- (d) the proceeds of any realisation of the Class Q Shares cannot be transmitted to or from the account of the Master Company; or
- (e) any period of market turmoil as determined by the Calculation Agent in its sole and absolute discretion.

What happens at Maturity?

On the Maturity Date, the Issuer will pay in respect of each Note the greater of: (i) the Minimum Redemption Amount; and (ii) the Balanced Portfolio Maturity Value as at the Maturity Date.

When can the Issuer redeem the Notes prior to the Maturity Date?

The Notes may be redeemed at the option of the Issuer in whole, but not in part if: (i) any adverse change occurs affecting the Issuer in the application or interpretation of tax laws in the Netherlands or the United Kingdom; (ii) it becomes unlawful in any applicable jurisdiction for the Issuer to perform any of its obligations in respect of the Notes; or (iii) a Cash-Out Event has occurred.

What are the consequences if the Issuer redeems the Notes prior to the Maturity Date?

The Notes may be redeemed prior to maturity pursuant to a Compulsory Redemption or Mandatory Redemption of Notes. See Condition 7 (*Mandatory Redemption*) and Condition 8 (*Compulsory Redemption*) for further details of these events. In such circumstances Noteholders will receive an amount per Note equal to the Balanced Portfolio Value on the date fixed for redemption less (in certain circumstances) any costs associated with such early redemption. It is therefore possible that the amount paid in such circumstances will be less than the Face Value of the Note.

How can I track my investment?

The Issuer will make the bid and offer price of the Notes (including the historical performance of the Notes) available on request, at www.abnamromarkets.com.

What fees are there?

(a) Up-Front Sales Fee

On or shortly after the Issue Date, a payment equal to 1.5 per cent. of the Face Value of each Note sold on the Issue Date will be retained, out of the proceeds of the sale of the Notes, by the Issuer, to pay distributors (which may include entities or business units within the ABN AMRO Group of companies). This Up-front Sales Fee is already included in the Issue Price of 101.5%.

(b) Fees payable from the Balanced Portfolio

Certain fees, costs and expense are payable and will impact upon the Balanced Portfolio Value on an ongoing basis, including the Protection Fee and Calculation Agent Fee. Potential investors should familiarise themselves fully with the section headed "*Fees, Costs and Expenses*".

(c) Fees payable by the Master Company in respect of the Class Q Fund

Certain expenses will be payable by the Master Company, including an Investment Management Fee, Performance Fee, Administration Fee and various establishment and listing fees. These fees will reduce the value of the Class Q Fund. Potential investors should familiarise themselves fully with the section headed "*Fees, Costs and Expenses*".

What is the impact of Taxes on my investment?

Investors who are in any doubt about their tax position on purchase, ownership or transfer of any Note should consult their professional independent tax advisers. In addition, investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

Investors should also note that payments in respect of the Notes may be subject to deductions. These deductions are defined in the Conditions (see more specifically Condition 12 (*Tax*)). This means that deductions for Taxes may be made in respect of any amount which may be due under the Notes.

Is there a limit on how much I can earn over the life of the Notes?

Provided that no Cash-Out Event occurs and the Notes are not redeemed prior to the Maturity Date, there is no cap on the potential investment return. However, because of the structure of the Notes, Noteholders will not have a pre-determined or fixed participation in the overall appreciation, if any, the Class Q Shares. Investments may increase and decrease in value.

What are some of the risks in owning the Notes?

Investing in the Notes involves a number of risks. We have described the most significant risks relating to the Notes under the heading "*Risk Factors Relating to the Notes*" in this Prospectus.

Some selected risk considerations include:

(a) Credit Risk: In purchasing the Notes you would assume credit risk on the Issuer;

(b) Market Risk: The value of the Notes at all times, including at maturity, will be affected by prevailing market conditions;

- (c) Reliance on the Class Q Shares: The performance of the Notes is dependent upon the performance of the Class Q Shares. No historic data are available in respect of the Class Q Shares;
- (d) Class Q Fund performance: The performance of the Notes is dependent upon the performance of the Balanced Portfolio, which in turn is (in part) dependent on the performance of the Class Q Shares. The performance of the Class Q Fund will affect the value of the Class Q Shares; and
- (e) Early redemption by the Issuer: In certain circumstances the Issuer may elect to redeem the Notes prior to the Maturity Date. In such circumstances Noteholders will receive an amount per Note equal to the Balanced Portfolio Value on the date fixed for redemption, less (in certain circumstances) the administration cost of conducting such redemption and it is therefore possible that the amount paid in such circumstances will be less than the Face Value of the Note.

What is the Investment Manager's Investment Strategy?

The objective of the Master Company with respect to the Class Q Fund is to achieve medium-term capital gains in the Net Asset Value of the Class Q Fund either through the implementation of a quantitatively driven currency investment process or by buying shares in currency funds, while closely monitoring and controlling risk.

The quantitative currency investment process developed by the Investment Manager's Fixed Income department will be used with the aim of providing investors with absolute returns. Research has shown that actively managed currencies tend to have a low correlation to traditional asset classes, such as fixed income and equities.¹

The Master Company will enter into foreign exchange contracts, principally one month contracts (with a maximum maturity of 3 months) in "liquid", fully convertible currencies (a currency upon which all restrictions on currency flows for current account and investment purposes as well as discriminatory currency practices are removed), including, but not limited to, USD, EUR, GBP, JPY, CHF, CAD, AUD, NZD, NOK and SEK and will invest any cash in short term money market instruments. The Master Company will enter into currency forward contracts having regard to the buy/sell signals generated by the Investment Manager's quantitatively driven currency investment process.

The inputs currently used in the building of the consensus forecast, chosen for the low correlation of their forecasts, are set out below:

Yield curve

The slope of a yield curve is an important indicator of inflation expectations, monetary policy stance and confidence in the appropriateness of monetary policy. The steepness of the yield slope can be an indication of the expected inflation and monetary policy. This is used as a principle to generate sell/buy signals. It will generally position long currency positions on flat to inverted yield curves and short currency positions on steep yield curves.

Interest rate differentials

¹ Mark Kritzman "The Optimal Currency Hedging Policy with Biased Forward Rates" Journal of Portfolio Management - Summer 1993.

"A Dynamic Index for Managed Currency Funds Using CME Currency Contracts", European Journal of Finance 4 (1998), Pierre Lequeux & Emmanuel Acar and "Alternative Investments: Managed Currencies" (2001). Pierre Lequeux is currently the head of currency management for ABN AMRO Asset Management Limited.

Academics have generated much research on the "forward bias" effect. The general conclusion is that forward foreign exchange rates have systematically and significantly overestimated the subsequent change in the spot rate. This part of the investment process attempts to generate returns out of this inefficiency by favoring high yielding currencies over low yielding currencies.

Price trend

Currency exchange rates have tended to exhibit positive serial correlations (trends) over long time periods. The profitability of trend following strategies to capture these has been well documented. Accordingly, the system attempts to capture medium to long term trends in currency markets. To do so, it uses a statistically weighted set of moving averages positioned at "optimal time of the day" to generate a buy/sell signal.

It is recognised that some extreme events such as central bank interventions or financial failures such as those events related to Long Term Capital Management in 1998 cannot be factored into any investment process. It is also recognised that intraday exchange rates variations offer significant opportunities that may affect the performance of the Notes. To account for this from time to time the investment process will be flexible and opportunistic with the aim of maximising the return for the risk undertaken by the Master Company and attributable to the Class Q Fund.

The Investment Manager's quantitative currency investment process is constantly tested and researched to ensure the validity of its assumptions. Therefore, there can be no assurance that the investment process will always rely on the inputs outlined above. The Investment Manager may, on the basis of research, add, remove or alter the assumptions behind the inputs based on its stringent research processes.

How will I get paid on the Maturity Date?

Each payment in respect of a Note on the Maturity Date will be made to the relevant Noteholder on or about the Maturity Date. The amount due to each Noteholder in respect of the redemption of such Notes on the Maturity Date shall be deposited by the Issuer in a bank account for payment to such person against surrender of the Note certificate, if any, representing the Notes previously held by such person. Upon deposit of such Final Redemption Amount as aforesaid such person shall have no further interest in such Notes or any of them except the right to receive the Final Redemption Amount so deposited in respect of such person (without interest) against surrender of the said Note certificate, if any.

What if I have more questions?

You should read this Prospectus for a detailed description of the Notes.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

The Notes will initially be in the form of the Temporary Global Note, which will be deposited on or around the Issue Date with the Common Depository. Interests in the Temporary Global Note will be exchangeable in whole or in part for interests in the Permanent Global Note following the expiration of 40 days after the later of the commencement of the offering and the Issue Date upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused.

The Permanent Global Note will become exchangeable in whole, but not in part, for Definitive Notes in the denomination of EUR 1.00 at the request of the bearer of the Permanent Global Note (acting on the instructions of a Noteholder in the case of (i) below, or on the instructions of the Issuer in the case of (ii) below) against presentation and surrender of the Permanent Global Note to the Principal Agent if an Exchange Event occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated in an aggregate principal amount equal to the principal amount of the Permanent Global Note outstanding at such time to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note at the Specified Office of the Principal Agent within 30 days of the occurrence of the relevant Exchange Event.

If:

- (a) Definitive Notes have not been delivered by 17:00 hours (London time) on the forty-fifth day after the bearer has duly requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) the Permanent Global Note (or any part of it) has become due and payable in accordance with the Conditions or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 17:00 hours (London time) on such forty-fifth day (in the case of (a) above) or at 17:00 hours (London time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Instrument). Under the Instrument, persons shown in the records of Euroclear and Clearstream, as being entitled to an interest in the Permanent Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Permanent Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and Clearstream.

CONDITIONS OF THE NOTES

The following is the text of the Conditions of the Notes which (subject to modification) will be endorsed on each Note in definitive form:

The ABN AMRO Valuation Notes due 2015 (the "**Notes**"), of ABN AMRO Bank N.V. are issued subject to and with the benefit of an agency agreement dated on or around the Issue Date (such agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") made between the Issuer, ABN AMRO Bank N.V., as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and the other paying agents named therein (together with the Fiscal Agent, the "**Paying Agents**", which expression includes any additional or successor paying agents appointed from time to time in connection with the Notes).

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Agency Agreement. Copies of the Agency Agreement are available for inspection during normal business hours by the Noteholders (as defined below) at the specified offices of the Paying Agents. The holders of the Notes (the "**Noteholders**") are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement applicable to them. Any Noteholders mentioned above include those having a credit balance in the collective depots held by Euroclear and Clearstream. References in these Conditions to the Paying Agents shall include any successors appointed under the Agency Agreement.

1. **Definitions**

"**Adjusted Balanced Portfolio Value**" or "**BPV_{ADJ}(t)**" means, in respect of any Calculation Date CD(t), the Balanced Portfolio Value for such Calculation Date CD(t) determined by the Calculation Agent in accordance with the following formula:

$$\mathbf{BPV_{ADJ}(t) = BPV(t) - LC(t)}$$

where:

"**BPV(t)**" means the Balanced Portfolio Value on Calculation Date (t); and

"**LC(t)**" means the Calculation Agent Fee on Calculation Date (t).

"**Administration Agreement**" means the administration agreement dated on or around the Issue Date between the Master Company and the Administrator;

"**Administrator**" means Equity Trust Company (Curaçao) N.V. operating under an administrators licence issued and supervised by the Central Bank of the Netherlands Antilles or any such other person(s) as may be duly appointed as administrator with respect to the Class Q Fund by the Master Company;

"**Agency Agreement**" means the agency agreement dated on or around the Issue Date between the Issuer and the Paying Agents;

"**Auditors**" means the auditors for the time being of the Master Company, the first auditors being Ernst & Young LLP;

"**Balanced Portfolio**" means a notional portfolio consisting of all three of the Balanced Portfolio Components;

"**Balanced Portfolio Components**" means each of:

- (a) the Equity Component;

- (b) the Bond Component; and
- (c) the Cash Component;

"Balanced Portfolio Maturity Value" or **"BPVm"** means the Balanced Portfolio Value as of the fifth Calculation Date prior to the Maturity Date;

"Balanced Portfolio Value" or **"BPV(t)"** means the amount per Note calculated by the Calculation Agent as of each Calculation Date CD(t) in accordance with Condition 3.2 (*Balanced Portfolio Value*);

"Bank" means ABN AMRO Bank N.V., London Branch of 250 Bishopsgate, London EC2M 4AA;

"Bond Component" or **"BC"** represents the Balanced Portfolio's notional exposure per Note to Eligible Collateral and comprises a notional investment in Eligible Collateral;

"Bond Floor Value" or **"BF(t)"** means, in respect of any Calculation Date CD(t), an amount in EUR per Note determined by the Calculation Agent as the present value on such Calculation Date CD(t) (calculated using the EUR interest rate swap curve adjusted to reflect the Issuer's then current spread for short term funding) of the repayment on the Scheduled Maturity Date of the Minimum Redemption Amount of each Note;

"Business Day" means a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London and on which the Trans-European Automated Real-time Gross settlement Express Transfer system is open for business;

"Calculation Agent" means ABN AMRO Bank N.V., London Branch;

"Calculation Agent Fee" or **"LC(t)"** means a per Note amount of 0.35% per annum of the Balanced Portfolio Value, subject to a minimum fee of 0.35% of Face Value, calculated on every Calculation Date from (but excluding) the Issue Date up to and including the Scheduled Maturity Date, expressed in EUR, and accrued daily on an actual/360 basis. The Calculation Agent Fees will be notionally deducted from the Balanced Portfolio on a daily basis by pro-rata adjustment to the number of units of the Cash Component;

"Calculation Date" or **"CD"** means each Business Day, and such other days as may be selected by the Calculation Agent in its sole and absolute discretion, in the period from and including the Issue Date up to and including the Maturity Date. The reference to **"CD(t)"** is a reference to a Calculation Date "t". A reference to **"CD(t-1)"** is a reference to a Calculation Date which is the Calculation date immediately preceding CD(t). If CD(1) is the very first Calculation date occurring after the Issue Date, then in such case a reference to BPV(0) is a reference to Balanced Portfolio Value on the Issue Date;

"Cash Component" or **"CC"** represents the Balanced Portfolio notional cash balances per Note. Such a notional cash balance may be positive or negative and represents any assets and/or liabilities in the form of cash (other than the Equity Component and the Bond Component) attributable to the Balanced Portfolio (including without limitation, fees and expenses), as determined by the Calculation Agent;

"Cash Component Rebalancing Date" means each 31 December from and including 31 December 2006 to and including 31 December 2014;

"Cash-Out Event" means any of the following (unless waived by the Issuer):

- (a) the Equity Gap becomes less than or equal to the Cash-Out Level on any Calculation Date;
- (b) a Class Q Fund Event has occurred;

- (c) the aggregate face value of the remaining outstanding Notes is less than or equal to the higher of:
 - (i) EUR 5,000,000; and (ii) 10% of the Face Value of the Notes issued on the Issue Date;
- (d) a breach of, or an inability to perform, by the Investment Manager and/or Administrator of their respective obligations under any agreement entered into by them in relation to the Class Q Fund which is not remedied immediately upon notice of such breach being given to the party in breach, or within any cure period specified in the relevant agreement; or
- (e) a compulsory redemption of all Class Q Shares is declared by the Master Company;

"**Cash-Out Level**" means, for any Calculation Date, 4.5% of the Face Value;

"**Class Q Fund**" means a segregated account of the Master Company, that is a segregated account for the purposes of the SAC Act to which the proceeds of the issue of the Class Q Shares are issued;

"**Class Q Fund Agreement**" means the agreement between the Master Company (on behalf of the Class Q Fund) and the Bank dated on or about the Issue Date;

"**Class Q Fund Event**" means a Potential Class Q Fund Event which the Calculation Agent determines to be a Class Q Fund Event;

"**Class Q Shares**" means the EUR denominated shares issued by the Master Company, with the proceeds of such issuance being attributed to a segregated cell within the Master Company constituting the Class Q Fund;

"**Clearing System**" means Euroclear or Clearstream, as the case may be (together the "**Clearing Systems**");

"**Clearstream**" means Clearstream Banking, société anonyme (formerly known as Cedelbank and Cedel Bank, société anonyme), incorporated in 1970 as a limited company under Luxembourg law;

"**Compulsory Redemption**" means a redemption of Notes pursuant to the provisions of Condition 8 (*Compulsory Redemption*);

"**Compulsory Redemption Amount**" means an amount equal to the Balanced Portfolio Value, less any costs reasonably incurred by the Issuer directly as a result of such Compulsory Redemption, as of the corresponding Compulsory Redemption Valuation Date;

"**Compulsory Redemption Date**" means for any redemptions following the breach of restrictions on Non-Qualified Persons, the date designated by the Issuer as of which the Equity Component in respect of such Notes will be notionally realised;

"**Compulsory Redemption Payment Date**" means the twentieth Business Day following a Compulsory Redemption Date;

"**Compulsory Redemption Valuation Date**" means the fifth Calculation Date prior to a Compulsory Redemption Payment Date;

"**Conditions**" means the conditions set out in these Conditions of the Notes and to which the Notes will be subject, as the same may from time to time be modified;

"**Direct Participant**" means a Noteholder: (i) having its own account with one or more of the Systems; and (ii) wishing its Notes to be credited to such accounts;

"**Eligible Collateral**" means one or more notional cash deposits with the Issuer, denominated in EUR, each deposit maturing with a value on the Scheduled Maturity Date of EUR 1.00 and not interest-bearing;

"Equity Component" or **"EC"** represents the Balanced Portfolio's exposure per Note to the performance of the Class Q Fund, and comprises a notional investment in the Class Q Fund;

"Equity Gap" or **"EG(t)"** means, in respect of any Calculation Date CD(t) the difference between the Adjusted Balanced Portfolio Value ($BPV_{ADJ}(t)$) on such Calculation Date CD(t) and the Bond Floor Value (BF(t)) on such Calculation Date CD(t);

"EUR", **"Euro"** or **"€"** means the Euro, the single currency of the participating member states of the European Union;

"Euroclear" means Euroclear Bank S.A./N.V., as operator of the Euroclear system;

"Eurolist" means Eurolist, as operated by Euronext Amsterdam N.V.;

"Face Value" means EUR 1.00 for each Note;

"Final Redemption Amount" is the higher of: (i) the Minimum Redemption Amount; and (ii) the Balanced Portfolio Maturity Value as at the Maturity Date;

"Investment Management Fee" means the fee payable to the Investment Manager pursuant to the provisions of the Investment Management Agreement;

"Investment Management Agreement" means the agreement between the Issuer and the Investment Manager to be entered into on or about the Issue Date.

"Investment Manager" means ABN AMRO Asset Management Limited, a company incorporated under the laws of England and Wales with limited liability, whose registered office is at 250 Bishopsgate, London, EC2M 4AA, England;

"Issue Date" means 7 November 2005 (unless extended at the sole and absolute discretion of the Issuer without prior notice to investors);

"Issuer" means ABN AMRO Bank N.V., London Branch;

"Lock-In Observation Date" means the last Calculation Date of a given calendar month, unless postponed in accordance with Condition 6.4 (*Suspension Event on a Lock-In Observation Date*);

"Locked-in Amount" means at any given time, in relation to each Note outstanding, the amount (if any) in EUR most recently determined by the Calculation Agent pursuant to Condition 6 (*Profit Lock-In Feature*) as being the locked-in amount following the exercise of the Profit Lock-In Feature;

"Mandatory Redemption" means a redemption of Notes pursuant to the provisions of Condition 7 (*Mandatory Redemption*);

"Mandatory Redemption Amount" means an amount equal to the Balanced Portfolio Value, less any costs reasonably incurred by the Issuer as a result of such Mandatory Redemption, as of the corresponding Mandatory Redemption Valuation Date;

"Mandatory Redemption Date" means for any redemptions following the occurrence of any of the events specified in Condition 7.1 (*Mandatory Redemption Events*) the date designated by the Issuer on which the Equity Component will be notionally realised, as described in Condition 7 (*Mandatory Redemption*);

"Mandatory Redemption Payment Date" means the twentieth Business Day following the Mandatory Redemption Date;

"Mandatory Redemption Valuation Date" means the fifth Calculation Date prior to the Mandatory Redemption Payment Date;

"Master Company" means Prime Investments Managed Account Master Limited, a company incorporated in Bermuda with limited liability being registered as a segregated accounts company under the SAC Act 2000 of Bermuda and having its registered office at Chancery Hall, 52 Reid Street, Hamilton, HM12, Bermuda in respect of the Class Q Fund;

"Master Company Bye-laws" means the bye-laws of the Master Company with respect to the Class Q Fund;

"Master Company Directors" means the directors for the time being of the Master Company;

"Master Company Transaction Documents" means the Investment Management Agreement, the Prime Brokerage Agreement, the Administration Agreement and the Master Company Bye-Laws;

"Maturity Date" means the later of: (i) the Scheduled Maturity Date; and (ii) the twentieth Business Day after the Terminal Allocation Date;

"Meeting" means a meeting of Noteholders held in accordance with Condition 15.2 (*Meetings of Noteholders*);

"Minimum Redemption Amount" or **"MRA"** means an amount equal to 100% of Face Value per Note, plus any Locked-In Amount;

"Net Asset Value of the Class Q Fund" means, in respect of any Calculation Date, the Base Net Asset Value of the Class Q Fund minus accrued Investment Management Fee and accrued Performance Fee (multiplied by the number of Class Q Shares outstanding) (with both the latter determined by the Administrator);

"Net Asset Value per Class Q Share" means, an amount equal to the Net Asset Value of the Class Q Fund divided by the total number of Class Q Shares outstanding;

"Non-Qualified Person" means: (a) any person who by acquiring and/or holding Notes would be in breach of the law or requirements of any country or governmental authority; (b) any person or persons in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Issuer to be relevant) which, in the opinion of the Issuer, might result in the Issuer incurring any liability to taxation, suffering any other pecuniary or commercial disadvantage that the Company might not otherwise have incurred or suffered, or being in violation of any applicable laws, statutes, regulations or requirements; (c) any person under 21 years of age; or (d) any US persons;

"Noteholder" means the person or persons who are for the time being recorded by the Issuer as a Noteholder of all or any of the Notes (or, in the case of a joint holding, the first named thereof) and **"Noteholders"** shall be contrived accordingly;

"Operating Agreement" means the operating agreement between the Administrator, the Bank and the Master Company dated on or about the Issue Date;

"Performance Fee" means that fee payable to the Investment Manager as set out in the section headed *"Fees, Costs and Expenses"* in the Prospectus;

"Potential Class Q Fund Event" means:

- (a) the Master Company on behalf of the Class Q Fund fails to pay upon demand any sum due or owing by the Master Company under or pursuant to the Master Company Transaction Documents at the time, in the currency and in the manner specified herein and such failure remains unremedied for more than 5 Business Days;
- (b) any representation or statement made by the Master Company on behalf of the Class Q Fund in any Master Company Transaction Document or in any notice or other document, certificate or statement delivered by it pursuant thereto or in connection therewith is or proves to have been incorrect or misleading in any material respect when made and, if capable of being remedied, shall not have been remedied within 5 Business Days after the Master Company has become aware of the same where the Bank reasonably determines that such representation or statement had or would have an effect on its entering into or complying with its obligations under the Master Company Transaction Documents and otherwise within 21 Business Days after the Master Company has become aware of the same;
- (c) the Master Company on behalf of the Class Q Fund fails duly to perform or comply with any other obligation expressed to be assumed by it in any of the Master Company Transaction Documents or to meet its obligations under any agreement to which is a party (other than those referred to in (a) and (b) above) and such failure, if capable of remedy, is not remedied within 5 Business Days of such failure first occurring;
- (d) the Master Company on behalf of the Class Q Fund repudiates any of the Master Company Transaction Documents to which it is expressed to be a party or does or causes to be done any act or thing evidencing an intention to repudiate any of the Master Company Transaction Documents to which it is expressed to be a party;
- (e) at any time any act, condition or thing required to be done, fulfilled or performed in order: (i) to enable the Master Company on behalf of the Class Q Fund lawfully to enter into, exercise its rights under and perform the obligations expressed to be assumed by it in the Master Company Transaction Documents; (ii) to ensure that the obligations expressed to be assumed by the Master Company in the Master Company Transaction Documents are legal, valid and binding; or (iii) to make the Class Q Fund Agreement admissible in evidence in Bermuda is not done, fulfilled or performed and such failure to do, fulfil or perform the same, if capable of remedy, is not remedied within 14 Business Days after the Master Company has become aware of the failure;
- (f) at any time it is or becomes unlawful for the Master Company on behalf of the Class Q Fund to perform or comply with any or all of its material obligations under any of the Master Company Transaction Documents or any of the obligations of the Master Company thereunder are not or cease to be legal, valid and binding;
- (g) any indebtedness for borrowed money of the Master Company on behalf of the Class Q Fund is not paid when due or within any applicable grace period or any indebtedness for borrowed money of the Master Company is declared to be or otherwise becomes due and payable prior to the specified maturity thereof by reason of any default or event of default (howsoever described);
- (h) the Master Company on behalf of the Class Q Fund is unable to pay its debts as they fall due, commences negotiations with its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment for the benefit of or a composition with its creditors;
- (i) the Master Company on behalf of the Class Q Fund or the Investment Manager ceases to exist or trade or any corporate action or other steps are taken or legal proceedings are started for the winding-up, dissolution, liquidation or re-organisation of the Master Company or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of it or

any or all of its revenues and assets or it is not possible to effect subscriptions or redemptions of the Class Q Shares;

- (j) any attachment, sequestration, distress or execution affects any aspect of the Master Company on behalf of the Class Q Fund and is not discharged within 14 Business Days;
- (k) without the prior written consent of the Bank, there is any change in the ownership of the ordinary shares as issued by the Master Company (otherwise than by reason of a transfer of ownership to an associate of the original holders thereof);
- (l) there is any change made without the Bank's prior written consent (such consent not to be unreasonably withheld) to the Master Company Bye-laws as delivered to the Bank pursuant to clause (a) under the section titled "Master Company Covenants" or there is a violation as determined by the Bank in its sole and absolute discretion of the Master Company Bye-laws;
- (m) any activities of the Investment Manager or the Master Company or the Administrator are the subject of a formal investigation by any regulatory body to whose rules it is subject for reasons of alleged wrongdoing or breach of regulation, or the Investment Manager or the Master Company or the Administrator has any licence withdrawn or has any regulatory approval or registration revoked or removed for whatever reason;
- (n) the Investment Manager, Master Company Directors or the Administrator are investigated by any law enforcing authority for alleged engagement in fraudulent investment activities;
- (o) any change in taxation occurs which would adversely affect any payment by the Master Company to the Bank;
- (p) there is a change to the Investment Manager of the Class Q Fund;
- (q) the investment guidelines of the Class Q Fund are changed with the result that such change increases, in the determination of the Calculation Agent, the risk profile of the Class Q Fund;
- (r) The Calculation Agent has not received from the Administrator any reports required by it in connection with the Class Q Shares within any agreed time scale, or has received (in the opinion of the Calculation Agent) erroneous reporting, unless cured within such period as may be agreed from time to time between the Calculation Agent and the Administrator;
- (s) any event occurs which causes or will, with the passage of time, cause the failure of the Investment Manager, Master Company or the Administrator to meet or maintain any material obligation or undertaking under the Investment Manager, Master Company or the Administrator constitutive and/or operating documents or to meet its obligations under any agreement to which it is a party;
- (t) The Calculation Agent reasonably considers that the Net Asset Value of Class Q Fund for any Calculation Date as determined and provided by the Administrator does not reflect the net asset values of the assets of the Class Q Fund as they would have been determined by independent auditors of the Class Q Fund using recognised accounting standards, unless cured within such period as may be agreed from time to time between the Calculation Agent and the Administrator;
or
- (u) the Administrator fails to calculate or publish the Net Asset Value of the Class Q Fund in respect of a given Calculation Date;

"Prime Broker" means the foreign exchange prime broker with whom the Master Company will enter into the Prime Brokerage Agreement, its legal successors or assigns or such other prime broker as may be appointed from time to time. The first such foreign exchange prime broker shall be the Bank;

"Prime Brokerage Agreement" means any or all (as the context requires) of the prime brokerage agreements between a Prime Broker and the Master Company (on behalf of the Class Q Fund);

"Profit Lock-In Feature" means the mechanism for ensuring profits arising from an increase in the value of the Balanced Portfolio Value above certain Threshold Levels on specified dates are preserved in the event of subsequent down-turns in performance as described in Condition 6 (*Profit Lock-in Feature*);

"Protection Premium" means a per Note fee of 0.90% of the Balanced Portfolio Value, subject to a minimum fee of 0.90% of Face Value, calculated on every Calculation Date from (but excluding) the Issue Date up to and including the Scheduled Maturity Date, expressed in EUR, and accrued daily on an actual/360 basis. The Protection Premium will be notionally deducted from the Balanced Portfolio on a daily basis by pro rata adjustment to the number of units of the Cash Component. If a Cash-Out Event occurs, no further Protection Premium will accrue from (and including) the date on which the Cash-Out Event has occurred;

"Prospectus" means the prospectus (including its appendices and documents incorporated by reference) issued by the Issuer on and dated 3 October 2005, as amended, varied, supplemented or modified from time to time, in relation to the offering and issue of the Notes;

"Resolution" means a resolution of Noteholders passed at a Meeting in accordance with Condition 15.2 (*Meetings of Noteholders*);

"SAC Act" means the Segregated Accounts Companies Act 2000 of Bermuda, as it may be amended, varied, supplemented or substituted from time to time;

"Scheduled Maturity Date" means the tenth anniversary of the Issue Date, or if such day is not a Business Day, the immediately preceding Business Day;

"Suspension Event" means, in the sole and absolute determination of the Calculation Agent, any suspension or limitation on the calculation and/or publication of the Balanced Portfolio Value and/or the Net Asset Value per Class Q Share for any reason, or any suspension of or limitation on the trading of Class Q Shares. Any such Suspension Event shall continue until the Calculation Agent determines that the event(s) that triggered such Suspension Event have been resolved to the Calculation Agent's satisfaction;

"Terminal Allocation Date" means the twentieth Business Day prior to the Scheduled Maturity Date provided that if a Suspension Event has occurred and/or is occurring on the Terminal Allocation Date, the Terminal Allocation Date will be postponed, at the discretion of the Issuer, to a date as soon as practicable following the end of the Suspension Event. In such event, the Maturity Date may be postponed accordingly;

"Threshold Level" means each multiple of EUR 0.25 above the Face Value;

"Transaction Documents" means the Operating Agreement, the Prime Brokerage Agreement, the Master Company Bye-Laws, the Investment Management Agreement and the Administration Agreement;

"Value of Bond Component" has the meaning given in Condition 3.4 (*Value of Bond Component*);

"Value of Calculation Agent Fee" means, in respect of any Calculation Date CD(t) the present value per Note of the remaining Calculation Agent Fee on that Calculation Date (CD(t) to the Scheduled Maturity Date, calculated using the Balanced Portfolio Value as of the immediately preceding Calculation Date and

the EUR interest rate swap curve (adjusted to reflect the Issuer's then current spread for short-term funding), as determined by the Calculation Agent;

"**Value of Cash Component**" has the meaning given in Condition 3.5 (*Value of Cash Component*); and

"**Value of Equity Component**" has the meaning given in Condition 3.3 (*Value of Equity Component*).

2. **Form**

2.1 **Form, Denomination and Status**

- (a) *Form and denomination*: The Notes are in bearer form in the denomination of EUR 1.00. Title to the Notes will pass by delivery in accordance with the Securities Giro Transfer Act (*Wet Giraal Effectenverkeer*) (as amended). The holder of any Note shall (except as ordered by a court of competent jurisdiction or as otherwise required by law or applicable regulation) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no person shall be liable for so treating such holder. No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.
- (b) *Status*: The Notes constitute direct, general and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

3. **The Balanced Portfolio**

3.1 **Performance of the Notes**

The performance of the Notes is linked to the Balanced Portfolio Value.

3.2 **Balanced Portfolio Value**

The Balanced Portfolio Value will be the amount per Note determined by the Calculation Agent as of each Calculation Date CD(t). The Balanced Portfolio Value as of a Calculation Date CD(t) is:

$$\text{BPV}(t) = \text{EC}(t) + \text{BC}(t) + \text{CC}(t)$$

The reference to "*CD(t)*" is a reference to a Calculation Date CD(t).

A reference to "*CD(t-1)*" is a reference to a Calculation Date which is the Calculation Date immediately preceding CD(t).

3.3 **Value of Equity Component**

"**EC(t)**" is the Value of Equity Component as of CD(t) and is calculated on a per Note basis according to the following formula:

$$\text{EC}(t) = \text{E}(t) * \text{EF}(t)$$

where:

"**E(t)**" is the lower of (i) the Net Asset Value per Class Q Share as of CD(t) (if available) or (if the Net Asset Value per Class Q Share is not available), the Calculation Agent's estimate of the net

asset value per Class Q Share; and (ii) the cash amount that an investor would receive by actually realising a Class Q Share for settlement on such Calculation Date CD(t); and

"**EF(t)**" is the number of Class Q Shares per Note allocated to the Equity Component as of CD(t), being EF(t-1), plus or minus any notional adjustments to the number of Class Q Shares per Note included in the Equity Component as of CD(t).

3.4 Value of Bond Component

"**BC(t)**" is the Value of Bond Component as of CD(t) and is calculated on a per Note basis according to the following formula:

$$\mathbf{BC(t) = B(t) * NB (t)}$$

where:

"**B(t)**" is the value as of CD(t) of each unit of Eligible Collateral, determined by reference to the time left to the Scheduled Maturity Date and a discount rate based on the EUR interest rate swap curve, adjusted to reflect the Issuer's then current spread for short-term funding (for the time left to the Scheduled Maturity Date) as determined by the Calculation Agent; and

"**NB(t)**" means the number of units of Eligible Collateral per Note allocated to the Bond Component as of CD(t), being NB(t-1), plus or minus any adjustment to the number of units of Eligible Collateral per Note allocated to the Bond Component as of CD(t).

3.5 Value of Cash Component

"**CC(t)**" is the Value of Cash Component as of CD(t) and is calculated on a per Note basis according to the following formula:

$$\mathbf{CC(t) = CC(t-1) + NCC(t)}$$

"**NCC**" means, in respect of any Calculation Date CD(t), an amount per Note determined by the Calculation Agent for such Calculation Date CD(t) in accordance with the following formula:

$$\mathbf{NCC(t) = CC(t-1) * (EONIA on CD(t-1)) * (CD(t) - CD(t-1))/360 + OCC(t) - FA(t)}$$

where:

"**EONIA**" means, in respect of any Calculation Date CD(t), the rate for overnight deposits in EUR as calculated by the European Central Bank and appearing at or around 19:00 hours CET on such date on Telerate page 247 in respect of such date;

"**FA(t)**" means, in respect of any Calculation Date CD(t), the accrued amount of the Note Fees from the immediately preceding Calculation Date (CD(t-1)) to such Calculation Date CD(t);

"**Note Fees**" means the Calculation Agent Fee and the Protection Premium;

"**OCC(t)**" means, in respect of any Calculation Date CD(t), other net adjustments to the Cash Component per Note including, but not limited to:

- (a) the notional costs and/or proceeds of any adjustment to the Equity Component as a result of a Cash-Out Event, rebalancing of the Cash Component pursuant to Condition 5 (*The Cash Component*), exercise of the Profit Lock-In Feature, the redemption of any Notes for whatever reason, or an adjustment of the Balanced Portfolio in accordance with the provisions of Condition 4 (*Adjustment of Balanced Portfolio Components*); and

- (b) the notional costs and/or proceeds of any adjustment to the Bond Component as a result of a Cash-Out Event, rebalancing of the Cash Component pursuant to Condition 5 (*The Cash Component*), exercise of the Profit Lock-In Feature or any other adjustment of the Balanced Portfolio in accordance with the provisions of Condition 4 (*Adjustment of Balanced Portfolio Components*).

4. **Adjustment of Balanced Portfolio Components**

The Calculation Agent may decrease the allocation to the Equity Component, and increase the allocation to the Cash Component and/or the Bond Component by a commensurate amount, in situations where there has been a breach of the Transaction Documents and such breach has not been cured in the relevant designated time period, provided that such reduction does not result in a change to the Balanced Portfolio Value.

If on a subsequent Calculation Date the Calculation Agent determines that the breach of the relevant Transaction Document no longer exists, then the Calculation Agent may (at its discretion and if it considers such action appropriate) decrease the allocation to the Cash Component and/or the Bond Component by the amount of any increase effected pursuant to the previous paragraph and increase the allocation to the Equity Component by a commensurate amount.

5. **The Cash Component**

5.1 **Rebalancing of Cash Component**

On:

- 5.1.1 each occasion that the Locked-In Amount is determined by the Calculation Agent in accordance with Condition 6 (*Profit Lock-In Feature*); and
- 5.1.2 each Cash Component Rebalancing Date,

the Calculation Agent will reset the then-existing Value of the Cash Component to as close to zero as possible. Any such rebalancing shall only be effected to the extent that the Issuer considers it appropriate to do so.

5.2 **Reduction of Cash Component**

If the Value of Cash Component is to be reduced from a positive number to as close to zero as possible, the Issuer shall increase the Value of Equity Component as soon as practicable following the Cash Component Rebalancing Date by notionally purchasing such number of Class Q Shares as could have been purchased using an amount equal to the amount of the reduction to the Value of Cash Component.

5.3 **Increase of Cash Component**

If the Value of Cash Component is to be increased from a negative number to as close to zero as possible, then:

- 5.3.1 the Calculation Agent shall determine the difference between the Cash Component and zero;
- 5.3.2 the Calculation Agent shall reduce the allocation to the Equity Component by an amount which would be realised by the realisation of a number of Class Q Shares, which if notionally realised at the last available Net Asset Value per Class Q Share,

would realise an amount less than or equal to the absolute value of the value determined in 5.3.1 above; and

- 5.3.3 the Calculation Agent will increase the allocation to the Cash Component by an amount equal to the amount by which the allocation to the Equity Component is decreased pursuant to 5.3.2 above.

6. Profit Lock-In Feature

6.1 Profit Lock-In Feature

In accordance with the provisions of Condition 6.2 (*Exercise of Profit Lock-In Feature*) and Condition 6.3 (*Effect of Profit Lock-In Feature*), Eligible Collateral may notionally be acquired and added to the Bond Component (the "**Profit Lock-In Feature**").

6.2 Exercise of Profit Lock-In Feature

On the determination of the Balanced Portfolio Value by the Calculation Agent as of a Lock-In Observation Date, the Profit Lock-In Feature will be exercised for a Note provided that:

- 6.2.1 the Note is still in issue and has not been redeemed early; and
- 6.2.2 the Balanced Portfolio Value as of the relevant Lock-In Observation Date is equal to or greater than a Threshold Level, *provided, however, that* in respect of each Threshold Level, the Profit Lock-In Feature shall only be exercised as of the first Lock-In Observation Date in respect of which the Balanced Portfolio Value is equal to or greater than such Threshold Level.

6.3 Effect of Profit Lock-In Feature

If the above conditions set out in Condition 6.2 (*Exercise of Profit Lock-In Feature*) are satisfied, then:

- 6.3.1 the Issuer shall increase the allocation to the Bond Component (and decrease the allocation to the Cash Component) by an amount equal to the present value as of such Lock-In Observation Date (determined using a EUR interest rate swap curve adjusted to reflect the Issuer's then current spread for short-term funding, as determined by the Calculation Agent) of the payment on the Scheduled Maturity Date of:
- (a) (if the Profit Lock-In Feature has not been exercised previously) an amount (in EUR) equal to half of the difference between the Face Value of the Note and the Threshold Level which is nearest to and lower than (or equal to) the Balanced Portfolio Value as of the relevant Lock-In Observation Date, or
 - (b) (if the Profit Lock-In Feature has been exercised previously) an amount (in EUR) equal to half of the difference between the Threshold Level in respect of which the Profit Lock-In Feature was last exercised and the Threshold Level which is nearest to and lower than (or equal to) the Balanced Portfolio Value as of the relevant Lock-In Observation Date; and
- 6.3.2 the Locked-In Amount for each outstanding Note will be increased by the amount determined in accordance with Conditions 6.3.1(a) or 6.3.1(b).

6.4 Suspension Event on a Lock-In Observation Date

If a Suspension Event has occurred and/or is continuing on a Lock-In Observation Date, the Issuer shall postpone the occurrence of the Lock-In Observation Date until as soon as practicable following the end of the Suspension Event.

7. **Mandatory Redemption**

7.1 **Mandatory Redemption Events**

If, in relation to the Notes:

- (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of The Netherlands or United Kingdom or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the Notes; or
- (ii) it becomes unlawful in any applicable jurisdiction for the Issuer to perform any of its obligations as contemplated by the Notes,

the Issuer shall give no less than 10 Business Days' notice to the Noteholders in accordance with Condition 16.5 (*Notices*) of its intention to redeem the Notes, designating a "**Mandatory Redemption Date**". The Mandatory Redemption Date shall be deemed to be the Terminal Allocation Date for the purposes of Condition 10 (*Actions to be performed on the Terminal Allocation Date*).

Following the designation of a Mandatory Redemption Date, the Issuer shall redeem the Notes by payment of an amount in respect of each Note equal to the Mandatory Redemption Amount. The Mandatory Redemption Amount will be paid to Noteholders on the Mandatory Redemption Payment Date.

Each payment in respect of a Note pursuant to this Condition 7.1 (*Mandatory Redemption Events*) will be made to the relevant Noteholder on the Mandatory Redemption Payment Date. Where payment in respect of a Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Noteholder in the records maintained by the Issuer at the opening of business on the Mandatory Redemption Payment Date. The amount due to each Noteholder in respect of the redemption of such Notes as of the Mandatory Redemption Payment Date shall be deposited by the Issuer in a bank account for payment to such person against surrender of the Note certificate, if any, representing the Notes previously held by such person. Upon deposit of such Mandatory Redemption Amount as aforesaid such person shall have no further interest in such Notes or any of them except the right to receive the Mandatory Redemption Amount so deposited in respect of such person (without interest) against surrender of the said Note certificate, if any.

7.2 **Suspension Event on the Mandatory Redemption Date**

If a Suspension Event has occurred and/or is continuing on the Mandatory Redemption Date, the Issuer shall postpone the occurrence of the Mandatory Redemption Date until as soon as practicable following the end of the Suspension Event.

8. **Compulsory Redemption**

8.1 **Issuer may impose restrictions on certain Noteholders**

The Issuer shall have the right to impose such restrictions as it may think necessary or desirable for the purpose of ensuring that the Notes are:

- 8.1.1 Not acquired or held by any Non-Qualified Person; or
- 8.1.2 (with respect to the United States of America) offered, sold or delivered within the United States or to, or for the account or benefit a Non-Qualified Person (except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the United States Securities Act of 1933).

8.2 **Compulsory Redemption**

The Issuer shall be entitled to redeem or require the transfer, at the Balanced Portfolio Value as of the relevant Compulsory Redemption Valuation Date, any or all of the Notes at any time prior to the Maturity Date if in the opinion of the Issuer such Notes are held directly or beneficially by any person or persons in contravention of any restriction referred to in Condition 8.1 (*Issuer may impose restrictions on certain Noteholders*) and/or in circumstances where a Direct Participant objects to disclosing its identity and/or such a redemption would eliminate or reduce the exposure of the Issuer or of Noteholders to adverse taxation consequences under the laws of any country.

In the event that the Issuer elects to redeem any Notes pursuant to this Condition 8.2 (*Compulsory Redemption*), the Issuer shall give no less than 10 Business Days' notice to the relevant Noteholders in accordance with Condition 16.5 (*Notices*) of its intention to redeem the relevant Notes, designating a "**Compulsory Redemption Date**". A Compulsory Redemption Date shall be deemed to be the Terminal Allocation Date in respect of the relevant Notes for the purposes of Condition 10 (*Actions to be performed on the Terminal Allocation Date*).

Following the designation of a Compulsory Redemption Date, the Issuer shall redeem the relevant Notes by payment of an amount in respect of each such Note equal to the Compulsory Redemption Amount. The Compulsory Redemption Amount will be paid to the relevant Noteholders on the relevant Compulsory Redemption Payment Date.

Each payment in respect of a Note pursuant to this Condition 8.2 (*Compulsory Redemption*) will be made to the relevant Noteholder on the relevant Compulsory Redemption Payment Date. Where payment in respect of a Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the relevant Noteholder in the records maintained by the Issuer at the opening of business on the relevant Compulsory Redemption Payment Date. The amount due to a Noteholder in respect of the redemption of such Noteholder's Notes as of the relevant Compulsory Redemption Payment Date shall be deposited by the Issuer in a bank account for payment to such person against surrender of the Note certificate, if any, representing the Notes previously held by such person. Upon deposit of such Compulsory Redemption Amount as aforesaid such person shall have no further interest in such Notes or any of them except the right to receive the Compulsory Redemption Amount so deposited in respect of such person (without interest) against surrender of the said Note certificate, if any.

8.3 **Suspension Event on a Compulsory Redemption Date**

If a Suspension Event has occurred and/or is continuing on a Compulsory Redemption Date, the Issuer shall postpone the occurrence of the relevant Compulsory Redemption Date until as soon as practicable following the end of the Suspension Event.

9. **Redemption on the Maturity Date**

The Notes not previously redeemed shall be redeemed by the Issuer on the Maturity Date at the Final Redemption Amount.

Each payment in respect of a Note pursuant to this Condition 9 (*Redemption on the Maturity Date*) will be made to the relevant Noteholder on the Maturity Date. Where payment in respect of a Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Noteholder in the records maintained by the Issuer at the opening of business on the Maturity Date. The amount due to each Noteholder in respect of the redemption of such Notes on the Maturity Date shall be deposited by the Issuer in a bank account for payment to such person against surrender of the Note certificate, if any, representing the Notes previously held by such person. Upon deposit of such Final Redemption Amount as aforesaid such person shall have no further interest in such Notes or any of them except the right to receive the Final Redemption Amount so deposited in respect of such person (without interest) against surrender of the said Note certificate, if any.

10. **Actions to be performed on the Terminal Allocation Date**

On the Terminal Allocation Date the Issuer will immediately arrange for the notional sale of all Class Q shares attributable to the Equity Component (provided that such Class Q Shares have not already been notionally redeemed, whether due to a compulsory redemption of all Class Q Shares or otherwise). The notional proceeds of such a sale together with the value of the Bond Component will be used to increase the allocation to the Cash Component. Therefore, following a Cash-Out Event, the Balanced Portfolio will only consist of the Cash Component and accordingly, from that time, the Notes will no longer provide Noteholders with exposure to the performance of the Class Q Shares.

11. **Actions to be performed on a Cash-Out Event**

On the occurrence of a Cash-Out Event the Issuer will immediately arrange for the notional sale of all Class Q Shares attributable to the Equity Component (provided such Class Q Shares have not already been notionally redeemed under a compulsory redemption of all Class Q Shares). The notional proceeds of such a sale together with the value of the Cash Component (if any) will be used in full to increase the Bond Component. Therefore, following a Cash-Out Event, the Balanced Portfolio will only consist of the Bond Component and accordingly, from that time, the Notes will no longer provide Noteholders with exposure to the performance of the Class Q Shares.

12. **Tax**

All payments will be made by the Issuer after deduction or withholding of any amounts which the Issuer is required to deduct or withhold for, or on account of, tax.

13. **Failure to Deliver Notes**

If any Noteholder, any of whose Notes are liable to be redeemed under any of the provisions hereof, shall fail or refuse to deliver up his Note certificate to the Issuer for cancellation within twenty-one days after the due date for redemption of the Notes comprised therein or shall fail or refuse to accept payment of the redemption proceeds payable in respect thereof, the Issuer shall be at liberty to deposit in a bank the amount due to such Noteholder and, upon such deposit or payment being made, the Notes which the Issuer is ready to pay off or satisfy shall be deemed to have been paid off and satisfied in accordance with the provisions hereof.

14. **Issuer's rights with respect to Notes**

14.1 **Purchase**

The Issuer may at any time purchase Notes in the open market or otherwise and at any price.

14.2 **Cancellation**

All Notes redeemed pursuant to Condition 7 (*Mandatory Redemption*), Condition 8 (*Compulsory Redemption*) or Condition 9 (*Redemption on the Maturity Date*) shall be cancelled and may not be reissued or resold. All Notes purchased by the Issuer pursuant to Condition 14.1 (*Purchase*) may (at the sole discretion of the Issuer) be held, surrendered for cancellation or resold, and Notes so resold shall for all purposes be deemed to form part of the original series of Notes.

14.3 **No other redemption**

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Condition 7 (*Mandatory Redemption*), Condition 8 (*Compulsory Redemption*) or Condition 9 (*Redemption on the Maturity Date*).

15. **Meetings of Noteholders and Modification**

15.1 **Amendment to Conditions**

The Conditions may be amended at the discretion of the Issuer and without the consent of the Noteholders for the purposes of obtaining a listing of the Notes on a stock exchange *provided that* the Issuer may not:

- 15.1.1 change any date fixed for a payment in respect of the Notes, including the Maturity Date, or alter the method of calculating the amount of any payment in respect of Notes on redemption prior to the Maturity Date or on the Maturity Date;
- 15.1.2 change the currency in which amounts due in respect of the Notes are payable; or
- 15.1.3 effect the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, notes or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed.

15.2 **Meetings of Noteholders**

Any proposed amendment relating to a matter set out in Conditions 15.1.1 to 15.1.3 above may only be approved by a Resolution of Noteholders at a Meeting, at which two or more persons holding or representing not less than three-quarters of the aggregate Face Value of the Notes outstanding on the date of such Meeting form a quorum. In addition any proposed amendment relating to a matter set out in Conditions 15.1.1 to 15.1.3 above must also be approved by the Issuer (such consent not to be unreasonably withheld). The Agency Agreement contains

provisions for convening meetings of the Noteholders. An extraordinary resolution passed at any meeting of the Noteholders will be binding on all Noteholders, whether or not they are present at the meeting.

15.3 **Modification**

The Issuer may agree, without the consent of the Noteholders, to any modification of any of these Conditions either: (i) for the purpose of curing any ambiguity or of curing, correcting or supplementing any manifest or proven error or any other defective provision contained herein or therein; or (ii) in any other manner which is not materially prejudicial to the interests of the Noteholders. Any modification shall be binding on the Noteholders and, unless the Issuer decides otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 16.5 (*Notices*).

15.4 **Conditions of the Notes to be Available for Inspection**

A copy of the Conditions shall be open to the inspection of any Noteholder or his agent during business hours (subject to such reasonable restrictions as the Issuer may impose but so that not less than two hours in each Business Day shall be allowed for inspection) without charge at the registered office of the Issuer.

16. **General**

16.1 **Payments to be made on a Business Day**

Any payment due to be made hereunder by the Issuer to a Noteholder on any day may, if such day is not a Business Day, be made by the Issuer on the following Business Day.

16.2 **Replacement of Notes**

If any Note certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Note certificates must be surrendered before replacements will be issued.

16.3 **Governing Law**

- (a) *Governing law*: The Notes and all matters arising from or connected with the Notes are governed by, and shall be construed in accordance with, English law.
- (b) *English courts*: The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising from or connected with the Notes.
- (c) *Appropriate forum*: The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) *Rights of the Noteholders to take proceedings outside England*: Condition 16.3(b) (*English courts*) is for the benefit of the Noteholders only. As a result, nothing in this Condition 16.3 (*Governing law*) prevents any Noteholder from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, Noteholders may take concurrent Proceedings in any number of jurisdictions.

- (e) *Service of process*: The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to the Issuer at 250 Bishopsgate, London EC2M 4AA or at any address of the Issuer in Great Britain at which service of process may be served on it in accordance with Part XXIII of the Companies Act 1985. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition 16.3(e) (*Service of process*) applies to Proceedings in England and to Proceedings elsewhere.

16.4 **Prescription**

Claims for payment in respect of the Notes will become void unless made within the period of 6 years from the due date for payment of such claims.

16.5 **Notices**

All notices to the Noteholders will be delivered to Euroclear and Clearstream. Any such announcement issued to either Euroclear and Clearstream shall be deemed to be effective on the day following its delivery to the clearing agent (and, if delivered to more than one clearing agent, on the date first delivered to a clearing agent).

Notices with regard to the Notes will, so long as the Notes are listed on Euronext Amsterdam and Euronext Amsterdam so requires, be published in the Euronext Amsterdam Daily Official List (*Officiële Prijscourant*) and in one daily newspaper of wide circulation in The Netherlands (which is expected to be *Het Financieele Dagblad* or *De Telegraaf*).

16.6 **Additional Obligations**

For so long as the Notes are listed on Eurolist, the Issuer will comply with the provisions set forth in the Listing and Issuing Rules of Euronext Amsterdam or any amended form of the said provisions in force for the time being.

16.7 **Calculation Agent**

In making any determinations in respect of the Notes, the Calculation Agent will employ the methodology described in these Conditions. Any determination by the Calculation Agent in relation to the application of such methodology will be in its sole and absolute discretion and will be conclusive and binding on all parties, except in the case of manifest error.

While the Calculation Agent currently employs the methodology described in these Conditions to make determinations in relation to the Balanced Portfolio, no assurance can be given that the market, regulatory, juridical, or fiscal circumstances will not arise that would, in the view of the Calculation Agent, necessitate a modification or change of such methodology. The Calculation Agent will use reasonable efforts to ensure that such modifications or changes will result in a treatment that is consistent with the methodology described in these Conditions.

FURTHER INFORMATION ON THE MASTER COMPANY

The Master Company

The Master Company was incorporated on 24 September 2003 in Bermuda with limited liability under Bermuda Law. The constitutive documents of the Master Company include the Master Company Byelaws.

The Master Company Directors confirm that as of the date of issue of this Prospectus and in relation to each of the Master Company Cells:

- (a) no dividends have been declared or paid;
- (b) the Master Company Directors have not approved any financial statements for laying before a general meeting of the Master Company; and
- (c) the Auditors have not audited any financial statements of the Master Company.

As a segregated accounts company, the Master Company is permitted to create segregated accounts in order to segregate the assets and liabilities attributable to a particular class of securities from the assets and liabilities attributable to each other class of securities in the Master Company, and from the Master Company's general assets and liabilities. As a matter of Bermuda law, provided that the conditions laid down in the SAC Act are complied with, assets attributable to each segregated account of the Master Company shall only be available to creditors in respect of that segregated account and the assets of the segregated account shall be protected from creditors of the Master Company who are not creditors in respect of that segregated account. It is intended that assets belonging or pertaining to a segregated account may only be used to meet the liabilities to creditors in respect of that segregated account and are not available to meet the liabilities to creditors in respect of other segregated accounts or, except where otherwise agreed, to general creditors of the Master Company. The proceeds of the Class Q Shares issue and all assets and liabilities related to such proceeds shall be retained in a distinct account, established by the Master Company, that is a segregated account for the purpose of the SAC Act.

Share Rights

The holders of the ordinary shares of the Master Company shall:

- (a) be entitled, on a poll, to one vote per ordinary share;
- (b) not be entitled to any dividends whatsoever in respect of their ordinary shares; and
- (c) in the event of the winding up or dissolution of the Master Company, whether voluntary or involuntary or for the purpose of reorganisation or otherwise or upon distribution of capital, be entitled to the par value thereof if paid up and to the surplus assets of the Master Company, if any. However the holders of the ordinary shares have agreed irrevocably and in writing to waive their entitlement to any amounts which exceed the paid up par value of their ordinary shares and have authorised and instructed the Master Company to hold any such amounts for the sole benefit of the Noteholders.

Directors

The remuneration of the Master Company Directors may be determined from time to time by the Master Company and/or the Master Company in a general meeting. The Master Company Directors may also be paid, inter alia, for all travelling, hotel and other expenses properly incurred by them in connection with the business of the Master Company and/or the Master Company.

A Master Company Director may hold any other office or place of profit under the Master Company and/or the Master Company (other than the office of auditor) in conjunction with his office of Master Company Director, or may act in a professional capacity for the Master Company and/or the Master Company on such terms as the Master Company Directors may determine. No Master Company Director shall be disqualified by his office from contracting with the Master Company and/or the Master Company in any capacity, nor shall any such contract or arrangement entered into by the Master Company and/or the Master Company in which any Master Company Director is in any way interested be liable to be avoided, nor shall any Master Company Director so contracting or being so interested be liable to account to the Master Company and/or the Master Company for any profit realised by any such contract or arrangement by reason of such Master Company Director holding that office if he shall declare the nature of his interest. Any Master Company Director (or his alternate Master Company Director in his absence) shall be at liberty to vote in respect of any contract or transaction in which he is interested provided that the nature of the interest of any Master Company Director or alternate Master Company Director in any such contract or transaction shall be disclosed by him at or prior to its consideration and any vote thereon. A general notice that a Master Company Director or alternate Master Company Director is a shareholder, director, officer or employee of any specified firm or company and is to be regarded as interested in any transaction with such firm or company shall be sufficient disclosure for the purposes of voting on a resolution in respect of a contract or transaction in which he has an interest, and after such general notice it shall not be necessary to give special notice relating to any particular transaction.

Any Master Company Director, notwithstanding his interest, may be counted in the quorum present at any meeting at which he or any other Master Company Director is appointed to hold any such office or place of profit under the Master Company and/or the Master Company or at which the terms of any such appointment are arranged, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of terms thereof.

There is no provision in the Master Company Bye-laws requiring a Master Company Director to retire by reason of any age limit and there is no share qualification for Master Company Directors.

Indemnities

The Master Company Bye-laws contain indemnities in favour of the Master Company Directors, secretary and other officers and agents for the time being of the Master Company and the Master Company, respectively.

Commission

Save as disclosed in this document, the Master Company has not entered into any commission, discounting arrangements, brokerage or other special terms in connection with the issue or sale of any Notes.

Master Company Directors' Interests

Roderick Forrest is an employee of Wakefield Quin, a law firm based in Bermuda.

Nicholas Hoskins is an employee of Wakefield Quin, a law firm based in Bermuda.

Chris Kennedy is an employee of Wakefield Quin, a law firm based in Bermuda.

The Master Company Directors have no existing or proposed service contracts with either the Master Company or the Master Company. The Master Company Directors may receive remuneration as provided in the Master Company Bye-laws. MQ Services Limited is the corporate entity which provides secretarial and corporate administration services to the Master Company and is wholly owned by Wakefield Quin.

Auditors Consent

The Auditors have accepted their appointment as auditors of the Master Company and the Master Company and have given and have not withdrawn their written consent to the inclusion in this Prospectus of the statement referring to such acceptance and the references to them in the form and context in which they are included.

Segregated Account Representative

The "Segregated Account Representative" is under a duty to make a written report to the Registrar of Companies within 30 days after: (i) the Segregated Account Representative's reaching the view that there is a reasonable likelihood of a segregated account or the general account of the Master Company becoming insolvent; or (ii) it coming to the Segregated Account Representative's knowledge or his/her having reason to believe that certain failures to comply with the SAC Act has occurred or that the Master Company or the Master Company has become involved in any criminal proceedings in Bermuda or elsewhere.

Meetings and Financial Statements

The financial year-end of the Master Company is 31 December in each year. The first financial statements will be made up to 31 December of the year in which the first Notes were issued.

Litigation

The Master Company is not engaged in any litigation or arbitration proceedings and are not aware of any litigation or claim pending or threatened by or against them.

Inspection of Documents

Copies of the Master Company Bye-laws will be available to Noteholders free of charge from the Administrator.

Change in Financial Position

There has been no significant change in the financial position of the Master Company since the date of its incorporation.

Exchange control

The Master Company has been classified as non-resident of Bermuda for exchange control purposes by the Bermuda Monetary Authority.

The Company, by virtue of being non-resident in Bermuda for exchange control purposes, are free to acquire, hold and sell any foreign currency and investments without restriction.

Legal Issues relating to segregated accounts

The SAC Act permits a company registered thereunder to operate segregated accounts enjoying statutory divisions between accounts. The effect of such statutory division is to protect the assets of one account from the liabilities of other segregated accounts and the general account of the company. The SAC Act sets out rules governing the operation of segregated accounts by such registered companies. The most significant aspect of a segregated accounts company is that the company is able to contract with a creditor or a shareholder so that the assets transferred by that person are held by the company in a segregated account and are insulated from any claims of the general creditors or the creditors of other segregated accounts. The establishment of a segregated account does not create a legal person distinct from the segregated accounts company. Though separate from all other segregated accounts and other activities of

the company, it is not itself a legal person as a matter of Bermuda Law. The segregated accounts company under whose umbrella such segregated accounts operate remains the only legal person with the capacity to enter into transactions relating to that account, although delegation of authority is permissible. The document governing the relationship between the company and the segregated account Noteholder or creditor constitutes a “governing instrument” with respect to such Noteholder or creditor (as defined in the SAC Act). The SAC Act sets out rules governing the operation of segregated accounts.

The SAC Act enables a segregated accounts company to issue any type of securities which track the performance of a particular account, and to pay a dividend or distribution in respect of the securities linked to a segregated account, and establishes solvency and liquidation requirements that must be met before any dividend or distribution is effected. In addition, the SAC Act contains provisions governing record keeping, the manner in which shares are issued and dividends distributed, accounting standards, the appointment of a receiver and winding-up of the company and the amalgamation of segregated accounts with other segregated accounts. As to the winding up of a segregated accounts company, the SAC Act specifically directs the liquidator to observe the segregation of accounts and apply the assets as intended by the parties. Remuneration of the liquidator is apportioned among the segregated accounts. The SAC Act also enables the Bermuda court to make a receivership order in respect of a segregated account, where it is satisfied that the assets are unlikely to be sufficient to discard the claims of creditors. It also sets out how it may apply for a receivership order and requires notice to be served on interested parties and sets out the powers of the receiver to manage a segregated account.

USES OF PROCEEDS

The gross proceeds of the issue of the Notes, minus a fee of 1.5 per cent. of the Face Value of the Notes which will be retained by the Issuer to pay distributors (which may include entities or business units within the ABN AMRO Group of companies), will be used by the Issuer for general corporate purposes.

TAXATION

THE NETHERLANDS

The following summary of certain Dutch taxation matters is based on the laws and practice in force as of the date of this Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the Notes, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rules. Save as otherwise indicated, this summary only addresses the position of investors who do not have any connection with The Netherlands other than the holding of the Notes. Investors should consult their professional advisers on the tax consequences of their acquiring, holding and disposing of the Notes under the laws of their country of citizenship, residence, domicile or incorporation.

1. **Withholding Tax**

All payments by the Issuer of interest and principal under the Notes can be made free of withholding or deduction for, or on account of, any taxes of whatsoever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein, provided that, if the Notes have no fixed maturity date or a maturity date (including any extensions thereof) exceeding ten years,

- (a) such payments are not dependent, or deemed to be dependent, in whole or in part, on the profits of or on the distribution of profits by the Issuer or an affiliated company (*verbonden lichaam*); or
- (b) whether such payments become due is not dependent, or deemed to be dependent, in whole or in part, on the profits of or on the distribution of profits by the Issuer or an affiliated company, unless the Notes have a fixed maturity date (including any extensions thereof) not exceeding 50 years or are not subordinated.

2. **Taxes on Income and Capital Gains**

A holder of a Note who derives income from a Note or who realises a gain on the disposal or redemption of a Note will not be subject to Dutch taxation on such income or capital gains unless:

- (a) the holder is, or is deemed to be, resident in The Netherlands, or, where the holder is an individual, such holder has elected to be treated as a resident of The Netherlands;
- (b) such income or gain is attributable to an enterprise or part thereof which is either effectively managed in The Netherlands or carried on through a permanent establishment (*vaste inrichting*) or permanent representative (*vaste vertegenwoordiger*) in The Netherlands;
- (c) the holder is not an individual and the holder has, directly or indirectly, a substantial interest (*aanmerkelijk belang*) or a deemed substantial interest in the Issuer and such interest does not form part of the assets of an enterprise; or
- (d) the holder is an individual and the holder has, directly or indirectly, a substantial interest (*aanmerkelijk belang*) in the Issuer or such income or gain otherwise qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) in The Netherlands as defined in the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*).

3. **Gift, Estate or Inheritance Taxes**

Dutch gift, estate or inheritance taxes will not be levied on the occasion of the transfer of a Note by way of gift by, or on the death of, a holder, unless:

- (a) the holder is or is deemed to be resident in The Netherlands for the purpose of the relevant provisions;
- (b) the transfer is construed as an inheritance or as a gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in The Netherlands for the purpose of the relevant provisions; or
- (c) such Note is attributable to an enterprise or part thereof which is either effectively managed in The Netherlands or carried on through a permanent establishment or a permanent representative in The Netherlands.

4. **Value Added Tax**

There is no Dutch value added tax payable by a holder of a Note in respect of payments in consideration for the issue of the Notes or in respect of the payment of interest or principal under the Notes, or the transfer of the Notes.

5. **Other Taxes and Duties**

There is no Dutch registration tax, stamp duty or any other similar tax or duty payable in The Netherlands by a holder of a Note in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgement in the courts of The Netherlands) of the Notes or the performance of the Issuer's obligations under the Notes.

6. **Residence**

A holder of a Note will not be treated as resident of The Netherlands by reason only of the holding of a Note or the execution, performance, delivery and/or enforcement of the Notes.

EUROPEAN UNION SAVINGS DIRECTIVE

Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required, from 1 July 2005, to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State; however, for a transitional period, Austria, Belgium and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35%. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

Also with effect from 1 July 2005, a number of non-EU countries, and certain dependent or associated territories of certain Member States, have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus may contain forward-looking statements. Forward-looking statements are statements that are not historical facts, including statements about the Issuer's beliefs and expectations. Any statement in this Prospectus that expresses or implies the Issuer's intentions, beliefs, expectations or predictions (and the assumptions underlying them) is a forward-looking statement. These statements are based on plans, estimates and projections, as they are currently available to the management of the Issuer. Forward-looking statements therefore speak only as of the date they are made, and the Issuer takes no obligation to update publicly any of them in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. A number of important factors could therefore cause actual future results to differ materially from those expressed or implied in any forward-looking statement. Such factors include, without limitation, the conditions of the financial markets in Europe, the United States, Brazil and elsewhere from which the Issuer derives a substantial portion of its trading revenues; potential defaults of borrowers or trading counterparties; the implementation of the Issuer's restructuring including the envisaged reduction in headcount; the reliability of the Issuer's risk management policies, procedures and methods; and other risks referenced in the Issuer's filings with the U.S. Securities and Exchange Commission and/or with the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the "AFM"). For more information on these and other factors, please refer to the Issuer's Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission and/or the Issuer's Registration Document filed with the AFM and to any subsequent reports furnished or filed by the Issuer with the U.S. Securities and Exchange Commission and/or the AFM.

The forward-looking statements contained in this Prospectus are made as of the date hereof, and the Issuer assumes no obligation to update any of the forward-looking statements contained in this announcement.

SELLING RESTRICTIONS APPLICABLE TO THE NOTES

General

Save where indicated elsewhere in this Prospectus, the Notes have not been authorised for public offering or marketing, save in Belgium, The Netherlands and Luxembourg where this Prospectus has been notified to the competent local authority in accordance with the Prospectus Directive. This Prospectus has been sent to prospective investors at their request. This document is personal and confidential and may not be distributed to anyone, or in any jurisdiction, that would make such distribution unlawful. This Prospectus does not constitute either an offer or commitment, or advice, or a recommendation to make a purchase of Notes.

The information contained in this Prospectus has been obtained from sources believed to be reliable but has not been independently verified by the Issuer or by any of its affiliated companies.

The Issuer does not guarantee that all risks associated with an investment in the Notes have been identified, nor does it provide advice to prospective investors as to whether they should make a subscription for Notes.

The Issuer does not make any representation as to the merits, suitability, expected success, or profitability of the Notes.

Prospective investors must make their own assessment of an investment in the Notes and the risks and benefits associated with the Notes and of all the matters referred to above. The Issuer recommends that prospective investors make a subscription for Notes only after having considered, with the assistance of external advisers, the specific risks of any such subscription.

Past performance is not necessarily indicative of future results.

United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

The Issuer will not, in respect of the Issue Date, offer, sell or deliver the Notes: (a) as part of its distribution at any time; or (b) otherwise until 40 days after the later of the commencement of the offering and the Issue Date within the United States or to, or for the account or benefit of, U.S. persons and it will have sent to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of Notes, an offer or sale of such Notes within the United States by any dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") the Issuer has not made and will not make an offer of Notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State at any time:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of: (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000; and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (c) in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

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

Belgium

Belgium has not yet implemented the Prospectus Directive but the Belgian Banking, Finance and Insurance Commission has stated that it will recognise the direct effect of most provisions of the Prospectus Directive from 1 July 2005, so that the section headed "European Economic Area" above is relevant to Belgium as well.

Luxembourg

The Notes may not be offered or sold directly or indirectly within the territory of the Grand-Duchy of Luxembourg unless

- (a) a prospectus has been duly approved by the Commission de Surveillance du Secteur Financier (the "CSSF") if Luxembourg is the home member state (as defined in the Law of 10 July 2005 on prospectuses for securities and implementing Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (the "**Law**")); or
- (b) if Luxembourg is not the home member state, the CSSF has been notified by the competent authority in the home member state that the prospectus has been duly approved; or
- (c) the offer benefits from an exemption to or constitutes a transaction not subject to the requirement to publish a prospectus.

United Kingdom

This Prospectus may only be communicated to persons to whom a financial promotion can lawfully be made by an authorised person pursuant to the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (as amended) who are also persons falling within one of the categories set out in the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (as amended). If you are not so permitted you should return this document immediately.

Italy

As of the date of the Prospectus, Italy has not yet implemented the Prospectus Directive. However, the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") acknowledged the direct effect of most provisions of the Prospectus Directive and, on 25 July 2005, issued a proposal of amendments to the Regulation dated 14 May 1999 n. 11768, inviting comments. The results of the consultation are still due.

Accordingly, as of the date of the Prospectus and until the earliest date of the implementation of the Prospectus Directive in Italy or the disclosure of the results of the consultation by CONSOB, the Issuer shall not solicit investments in the Notes from the public in Italy, nor it shall market or otherwise offer the Notes to investors in Italy except that, pursuant to article 100, paragraph 1, lett. f of Legislative Decree dated 24 February 1998 n. 58, the Issuer may offer the Notes to the special categories of "qualified investors", identified by article 31, paragraph 2 of CONSOB Regulation dated 1 July 1998 n. 11522 as amended, as follows:

- (a) SIMs and foreign investment firms licensed/authorised to carry out investment services in Italy;
- (b) Italian banks and foreign banks licensed/authorised to carry out investment services in Italy;
- (c) Italian financial companies enrolled in the registers provided for by Article 106, 107 and 113 of Legislative Decree dated 1 September 1993 n. 385;
- (d) asset management companies;
- (e) mutual funds, SICAVs and pension funds;
- (f) insurance companies;
- (g) foreign entities who, pursuant to the law in force in their home country, carry on the activities carried on by the foregoing persons;
- (h) companies and entities that issue financial instruments traded in regulated markets;
- (i) individuals who document their possession of the professional qualifications required under Italian law for individuals performing administrative, managerial or control functions in SIMs and banking foundations; and
- (j) corporate entities or legal persons possessing specific expertise and experience in matters of transactions in financial instruments expressly declared in writing by their legal representative.

In addition to the above, the Issuer will, in offering the Notes in Italy, comply with the provisions of Article 129 of Legislative Decree dated 1 September 1993 n. 385.

No Ownership by U.S. Persons

The Notes may not be legally or beneficially owned by U.S. Persons at any time. Each holder and each beneficial owner of a Note hereby represents, as a condition to purchasing or owning the Note or any beneficial interest therein, that neither it nor any person for whose account or benefit the Notes are being purchased is located in the United States, is a U.S. Person or was solicited to

purchase the Notes while present in the United States. Each holder and each beneficial owner of a Note hereby agrees not to offer, sell or deliver any of the Notes, at any time, directly or indirectly in the U.S. or to any U.S. Person. The term "U.S. Person" will have the meaning ascribed to it in both Regulation S under the Securities Act and the Code.

SUBSCRIPTION FOR NOTES

Minimum application amount

The minimum number of Notes for which a prospective investor may apply shall be 1,000 Notes and thereafter in multiples of 1 Note.

Offer period

The period during which applications may be made for the Notes is as follows:

Offer opens	Offer closes	Notes are issued and settlement occurs
3 October 2005, 0900 hours (Amsterdam time).	28 October 2005, 1500 hours (Amsterdam time), (unless extended at the sole and absolute discretion of the Issuer without prior notice to investors).	7 November 2005, (unless extended at the sole and absolute discretion of the Issuer without prior notice to investors).

The Issuer reserves the right, in its sole and absolute discretion to terminate the Offer Period in respect of the Notes at any time prior to the advertised end of the Offer Period or to extend the same. Furthermore, the Issuer shall be under no obligation to issue the Notes until the Issue Date.

The Issuer in its sole and absolute discretion may cancel any Notes issued but not settled by the last Business Day in November 2005.

Acceptance of applications

The Issuer reserves the right, in its sole and absolute discretion, to accept offers to purchase Notes and may reject any application for Notes in whole or in part. A prospective investor submitting an application for Notes will be notified of the acceptance or otherwise of such application prior to the Issue Date.

Cancellation of offer of Notes

The Issuer may withdraw, cancel or modify the offer of the Notes without notice and will notify prospective investors of such withdrawal, cancellation or modification after such withdrawal, cancellation or modification has occurred. In the event that the Notes are not issued, no subscription monies shall be payable by prospective investors to the Issuer (either directly or indirectly through a Selling Agent (as defined below)) in respect of the Notes. Prospective investors should contact their Selling Agent of choice for details of the arrangements for the return of application monies in such circumstances. The Issuer shall have no responsibility for, or liability arising out of, the relationship between prospective investors and their respective Selling Agents and clearing system operators, including, without limitation, in respect of arrangements concerning the return of monies by such persons to their clients.

Application procedure

Applications for Notes may be made by a prospective purchaser through any broker, financial adviser, banker, financial intermediary or other agent acting in such a capacity (each a "Selling Agent") which has a relationship with the Issuer governing the sale of the Notes. Applications should be made by completing and signing the Application Form. Pursuant to anti-money laundering regulations, prospective purchasers who are not an existing client of a Selling Agent may be required by their Selling Agent of choice to complete an anti-money laundering form and to provide further evidence of identification in advance of applying for any Notes.

Each prospective purchaser should ascertain from its Selling Agent of choice when that Selling Agent will require receipt of cleared Class Q Funds from its clients in respect of applications for Notes and the manner in which payment should be made to the Selling Agent. Each Selling Agent may impose different arrangements relating to the purchase of Notes and prospective investors should contact the Selling Agents directly for information concerning such arrangements. Applicants for Notes who arrange to purchase the Notes through a Selling Agent should note that in doing so they are assuming the credit risk of the relevant Selling Agent and that such arrangements will be subject to the applicable conditions of the relevant Selling Agent.

Maximum aggregate face value of Notes to be issued

The maximum aggregate face value of Notes to be issued is the equivalent of EUR 100 million (or such higher amount as the Issuer may determine).

Minimum aggregate face value of Notes to be issued

The minimum aggregate face value of Notes to be issued is the equivalent of EUR 20 million (or such lower amount as the Issuer may determine).

Scaling back arrangements

It may be necessary to scale back applications for the Notes. The Issuer therefore reserves the right, in its absolute discretion to decline in whole or in part an application for Notes. Accordingly, an applicant for Notes may, in certain circumstances, not be issued the number of (or any) Notes for which it has applied.

GENERAL INFORMATION

1. **Authorisation**

The issue of the Notes was duly authorised pursuant to a resolution of the Board of Directors of the Issuer dated 12 January 2005.

2. **Clearing Systems**

The Notes have been accepted for clearance through Euroclear and Clearstream. The International Securities Identification Number and the Common Code in respect of the Notes are as follows:

ISIN: NL0000117554

Common Code: 023074451

Fondscore: 11755

3. **No significant change**

There has been no significant change in the financial or trading position of the Issuer since 31 December 2004 and there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2004.

4. **Litigation**

In several jurisdictions legal proceedings have been initiated against the Issuer or its group companies whose financial statements have been included in the consolidated annual accounts dated 31 December 2004 of ABN AMRO Holding N.V. On the basis of information presently available, the Managing Board of the Issuer is of the opinion that the outcome of these proceedings is unlikely to have a material effect on the financial position of the Issuer.

5. **Accounts**

The auditors of the Issuer are Ernst & Young who have audited the Issuer's accounts, without qualification, in accordance with generally accepted auditing standards in the Netherlands for each of the three financial years ended on 31 December 2004.

6. **US tax**

The Notes will contain the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

7. **Documents**

Copies of the following documents will be available free of charge from the registered office of the Issuer and from the specified offices of the Paying Agents so long as any of the Notes remains outstanding:

- (a) the Articles of Association of the Issuer (with an English translation thereof);
- (b) the annual report of ABN AMRO Holding N.V. for the two most recent financial years and the most recently available published semi-annual interim financial statements of ABN AMRO Holding N.V. (with an English translation thereof) - the Issuer's consolidated

financial statements form part of the annual report of ABN AMRO Holding N.V. and the Issuer does not publish separate accounts;

- (c) the Registration Document; and
- (d) the Master Company Bye-laws.

8. **Application Forms**

The Issuer reserves the right, in its sole and absolute discretion, to accept Application Forms and may reject any application for Notes in whole or in part. The Issuer may withdraw, cancel or modify the offer of the Notes without notice. In the event that the Notes are not issued, no subscription monies shall be payable by prospective investors to the Issuer (either directly or indirectly through a selling agent) in respect of the Notes. The Issuer shall have no responsibility for or liability arising out of the relationship between prospective investors and their respective selling agents and clearing system operators, including, without limitation, in respect of arrangements concerning the return of monies by such persons to their clients.

FEES, COSTS AND EXPENSES

Issue Expenses

The following fee will be retained from the proceeds of the sale of the Notes.

Up-front Sales Fee On or shortly after the Issue Date, a payment equal to 1.5 per cent. of the Face Value of each Note sold on the Issue Date will be retained, out of the proceeds of the sale of the Notes, by the Issuer to pay distributors (which may include entities or business units within the ABN AMRO Group of companies). This Up-front Sales Fee is already included in the Issue Price of 101.5%.

Fees, Costs and Expenses of the Balanced Portfolio

The following fees, costs and expenses will be borne by the Balanced Portfolio and will therefore have the effect of reducing the Balanced Portfolio Value.

Calculation Agent Fee In consideration for the services provided by the Calculation Agent, the Calculation Agent will be paid a per Note fee equal to 0.35% per annum of the Balanced Portfolio Value, subject to a minimum fee of 0.35% of the Face Value. The Calculation Agent Fee is calculated by the Calculation Agent, and deducted from the Cash Component, on every Calculation Date from (but excluding) the Issue Date up to and including the Scheduled Maturity Date, expressed in EUR and accrued daily on an actual/360 day basis.

Protection Premium The Protection Premium is a per Note amount of 0.90% per annum of the Balanced Portfolio Value, subject to a minimum fee of 0.90% of Face Value. The Protection Premium is calculated by the Calculation Agent, and deducted from the Cash Component, on every Calculation Date from (but excluding) the Issue Date up to and including the Scheduled Maturity Date, expressed in EUR and accrued daily on an actual/360 day basis.

The Protection Premium will cease to accrue after the occurrence of a Cash-Out Event.

Fees, Costs and Expenses of the Master Company

The following fees, costs and expenses will be borne by the Master Company and will therefore have the effect of reducing the Net Asset Value per Class Q Share.

Investment Management Fee In consideration for its investment management services to the Master Company (in respect of the Class Q Fund), the Master Company will pay to the Investment Manager a fee equal to 2% per annum of the Base Net Asset Value per Class Q Share (in EUR) issued on or about the Issue Date, calculated on an actual/360 day basis and paid quarterly as calculated at the relevant Quarterly Calculation Date.

Performance Fee The Investment Manager may also be entitled to a quarterly performance fee.

(a) On the first Quarterly Calculation Date for each Class Q Share issued on or after the Issue Date, provided that:

- (i) a given Class Q Share is still in issue and has not been redeemed early; and
- (ii) the Base Net Asset Value per Class Q Share, minus the relevant Investment Management Fee per Class Q Share, is greater than the original issue price of such Class Q Share (compounded using 3 month EURIBOR or a suitable interpolation for shorter periods from the date of its issue up to the first Quarterly Calculation Date).

The Performance Fee in respect of each Class Q Share (if any) determined for the first Quarterly Calculation Date will be equal to 20% of the excess of: (i) the Base Net Asset Value per Class Q Share, minus the relevant Investment Management Fee per Class Q Share; over (ii) the original issue price of such Class Q Share (compounded using 3 month EURIBOR or a suitable interpolation for shorter periods from the date of its issue up to the first Quarterly Calculation Date).

- (b) For any Quarterly Calculation Date after the first one, the Master Company will determine if it can pay a Performance Fee to the Investment Manager in respect of:
 - (i) a given Class Q Share is still in issue and has not been redeemed early; and
 - (ii) at the given Quarterly Calculation Date, the Base Net Asset Value per Class Q Share, minus the Investment Management Fee per Class Q Share, exceeds the PF Threshold Amount.

Any such Performance Fee shall be equal to 20% of the excess of: (i) the Base Net Asset Value per Class Q Share as at the given Quarterly Calculation Date minus the relevant Investment Management Fee per Class Q Share as at such given Quarterly Calculation Date; over (ii) the PF Threshold Amount.

Any Performance Fee shall be calculated using the official Base Net Asset Value per Class Q Share as determined by the Administrator for a given Quarterly Calculation Date. The payment of any Performance Fee will thus only be possible once the official Base Net Asset Value per Class Q Share for a given Quarterly Calculation Date is available.

Administration Fee

In consideration for administrative services relating to the Master Company, the Master Company (in respect of the Class Q Fund) will pay to the Administrator 0.20% per annum of the Net Asset Value of the Class Q Fund subject to an absolute minimum fee of the equivalent of USD 25,000. These fees accrue daily and are to be paid annually in arrears, with the first payment due on the last Business Day of December 2005.

Fees payable by the Master Company in respect of the Class Q Fund in relation to establishment, issue

The Master Company will incur certain fees, costs and expenses associated with the establishment and operation of the Class Q Fund and the issue of the Class Q Shares. Establishment fees of up to EUR 200,000 will be payable out of the Class Q Fund and will be written down through the Net Asset Value as per standard accounting practices. This figure includes the expenses incurred in admitting the Notes to trading on Eurolist, which are not expected to exceed

and operation EUR 5,000.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated in, and to form part of, this Prospectus:

- (a) the Articles of Association (*statuten*) of the Issuer;
- (b) the publicly available audited annual financial statements for the three most recent years and the most recently published consolidated and unaudited interim financial statement of ABN AMRO Holding N.V.;
- (c) the Annual Report on Form 20-F of ABN AMRO Holding N.V. for the year ended 31st December, 2004, filed with the United States Securities and Exchange Commission (the SEC) on 29 March 2005, as amended;
- (d) the Issuer's Registration Document; and
- (e) the Agency Agreement (as at the date of this Prospectus, this is in draft form only and will be finalised prior to the Issue Date),

save that any statement contained in any document deemed to be incorporated in, and to form part of this Prospectus shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in any subsequent document (including this Prospectus) differs from such earlier statement in a manner which modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

The Issuer will provide, without charge, to each person to whom a copy of this Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated herein by reference. Written or oral requests for such documents should be directed to the Issuer at its registered office set out at the end of this Prospectus.

DEFINITIONS

Defined terms used in this Prospectus shall have the meaning given to them in the section headed "Conditions of the Notes" and as follows hereafter:

AFM	The Netherlands Authority for the Financial Markets (<i>Stichting Autoriteit Financiële Markten</i>).
Application Form	This means the application form to be completed and executed by an investor upon applying for Notes as set out at Schedule 1 (<i>Application Form</i>) and the term "Application Forms" shall be construed accordingly.
Base Net Asset Value of the Class Q Fund	This is comprised of: <ul style="list-style-type: none">(a) the net asset value of the managed account held by the Master Company for the Class Q Fund, plus;(b) the value of any other assets of the Master Company linked to such Class Q Fund other than those covered in part (a) above; less(c) any liabilities of the Master Company attributable to the Class Q Fund, including any commissions and any accrued but unpaid fees (but, for the avoidance of doubt, excluding any accrued Investment Management Fee and Performance Fee), but excluding the Class Q Shares. Such liabilities are those determined by the Administrator to be attributable to the Class Q Fund, upon advice of or in consultation with the Investment Manager and the Bank.
Base Net Asset Value per Class Q Share	An amount equal to the Base Net Asset Value of the Class Q Fund divided by the number of outstanding Class Q Shares issued, calculated on a Quarterly Calculation Date or as otherwise determined by the Issuer;
Common Depository	This means the common depository for the Clearing System being as at the date of the Prospectus, <i>Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.</i>
Conditions	The terms and Conditions of the Notes, as they appear in the section headed "Conditions of the Notes".
Definitive Note	A note in definitive form and representing one Note.
Exchange Event	Either of: <ul style="list-style-type: none">(a) Euroclear or Clearstream is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or(b) a change occurs in the practice of Euroclear or Clearstream as a result of which the Issuer would suffer a disadvantage which would not be suffered if the Notes were in definitive form
Instrument	The instrument constituting the Notes dated on or about the Issue Date and executed by the Issuer.
Listing Agent	ABN AMRO Bank N.V.

Master Company Cell	A segregated account of the Master Company constituted by the issue of a class of Master Company shares to which the proceeds of the issue of such shares are allocated.
Minimum Trading Size	1 Note and thereafter in multiples of 1 Note.
Net Asset Value	The net asset value of the managed account held by the Master Company for the Class Q Fund.
Performance Fee	That fee payable to the Investment Manager as set out in the section headed " <i>Fees, Costs and Expenses</i> " in the Prospectus.
Permanent Global Note	The permanent global note issue on the Issue Date, deposited with the Common Depository and representing the Notes.
PF Threshold Amount	For a given Quarterly Calculation Date for a Class Q Share, this is defined as the amount equal to the greater of: <ul style="list-style-type: none"> (a) the compounded result (with such compounding done using 3 month EURIBOR (or a suitable interpolation for shorter periods) from the last Quarterly Calculation Date in which a Performance Fee was paid up to the given Quarterly Calculation Date) of: (i) Base Net Asset Value per Class Q Share as at the last Quarterly Calculation Date in which a Performance Fee was paid (and, for the avoidance of doubt, it is understood that the aforementioned date might not be the immediately preceding Quarterly Calculation Date); minus (ii) the relevant Investment Management Fee per Class Q Share as at the last Quarterly Calculation Date in which a Performance Fee was paid; and (b) the original issue price of such Class Q Share (compounded using 3 month EURIBOR (or a suitable interpolation for shorter periods) from the date of its issue up to the given Quarterly Calculation Date).
Prospectus	The Registration Document and this prospectus.
Prospectus	This prospectus.
Prospectus Directive	Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading.
Quarterly Calculation Date	The last Business Day of each March, June, September and December of each year.
Registration Document	The Issuer's registration document dated 1 July 2005 prepared in accordance with Article 5(3) of the Prospectus Directive.
Securities Act	United States Securities Act of 1933, as amended.
Temporary Global Note	The temporary global note issued on the Issue Date, deposited with the Common Depository and representing the Notes.
U.S. Person or United	(i) any natural person resident in the United States; (ii) any discretionary

States Person

account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States; (iii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person if (y) an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of estate and (z) the estate is governed by foreign law; (iv) any trust of which any professional fiduciary acting as trustee is a U.S. Person if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. Person; (v) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (vi) any agency or branch of a U.S. Person located outside the United States if (y) the agency or branch operates for valid business reasons, and (z) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; (vii) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans; (viii) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a foreign jurisdiction and which has its principal place of business in a foreign jurisdiction; (ix) an estate or trust, the income of which is not subject to United States income tax regardless of source; (x) an entity organised principally for passive investment such as a pool, investment company or other similar entity provided, that units of participation in the entity held by persons who do not qualify as non-United States Persons or otherwise as qualified eligible persons represent in the aggregate less than 10% of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by United States Persons in the Class Q Fund who do not qualify as non-United States Persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the Commodity Futures Trading Commission's regulations by virtue of its participants being non-United States Persons; or (xi) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.

United States or U.S.

The United States of America.

Up-front Sales Fee

On or shortly after the Issue Date, a payment equal to 1.5 per cent. of the Face Value of each Note sold on the Issue Date will be retained, out of the proceeds of the sale of the Notes, by distributors (which may include entities or business units within the ABN AMRO group of companies). This Up-front Sales Fee is already included in the Issue Price of 101.5%.

USD

The currency of the United States of America.

SCHEDULE 1
APPLICATION FORM

For ABN AMRO Valuta Notes 2005 - 2015 issued by ABN AMRO Bank N.V. pursuant to the prospectus dated on or around 7 November 2005 relating to the Notes (the "**Prospectus**") as may be amended, varied, supplemented or modified from time to time.

Terms defined in the Prospectus shall bear the same meaning herein.

Please type or write application information below in BLOCK CAPITALS.

Part One - Purchase of Notes

1. Please accept this application to purchase:

.....Notes at EUR 1.00 each for a total sum of EUR (Minimum Subscription per investor 1,000 Notes and thereafter in multiples of 1 Note)

Client Reference No. (if known):

Part Two - Your Personal Details

Important: this section is to be completed by the first applicant. In the case of corporate applicants, full corporate name and place of incorporation must be provided together with a contact person and a list of authorised signatories.

2. Mr, Mrs, Ms, Miss or Title (corporates, write full title of corporation)
3. First Name(s)
4. Family Names (corporates, enter contact person).....
5. Street Name/Number (corporates, note registered office here)
6. Town/City Postcode
7. State/County
8. Country
9. Home Telephone
10. Work Telephone
11. Telefax Number
12. Email
13. Citizenship
14. Country of Residence (corporates, enter country of incorporation)

(now go to Part Three for joint applicants, or to Part Four)

Part Three - Your Personal Details (For Joint Applicants)

Important: this section is to be completed by a second applicant if it is a joint application.

- 15. Mr, Mrs, Ms, Miss or Title
- 16. First Name
- 17. Family Name
- 18. Street Name/Number
- 19. Town/City Postcode.....
- 20. State/County
- 21. Country
- 22. Home Telephone
- 23. Work Telephone
- 24. Telefax Number
- 25. Email
- 26. Citizenship
- 27. Country of Residence

Part Four – Euroclear/Clearstream

28. Where would you like your Notes to be credited? Unless you tick one of the boxes below and complete the account details, the Notes shall automatically be credited to a designated account where they will be held in custody by ABN AMRO Bank N.V., London Branch (the "Custodian"). Investors using this option should be aware that a custody fee of 3.5 basis points per annum of the NAV of the Notes may be charged to the Noteholders by the Custodian on a quarterly basis.

- Please credit the Notes allocated pursuant to this Application Form to:
Euroclear /Clearstream account number
in the name of
with sub-account name (if any)

Part Five – Payment Details / Bank Instructions

- 29. DVP applicants: please note the following settlement information:
Euroclear Account no: 92496
Delivering Counterparty: ABN AMRO Bank N.V., London Branch

Trade Date:	7 November 2005
Settlement Date:	7 November 2005
ISIN Code:	NL0000117554

Part Six – Details for mailing Application Form

Please make sure that you send this Application Form to fax no.: +44 (0)20 7678 1051 or scanned and sent by email to simon.white@uk.abnamro.com or joanne.miller@uk.abnamro.com by not later than 1500 hours (Amsterdam time) on 28 October 2005 (unless extended at the sole and absolute discretion of the Issuer without prior notice to investors), couriering the originals to ABN AMRO Bank N.V., 250 Bishopsgate, London, EC2M 4AA.

Part Seven – Anti-Money Laundering Regulation

To ensure compliance with statutory and other generally accepted principles relating to anti-money laundering, the Issuer may require verification of identity from any person delivering a completed Application Form.

Depending upon the circumstances of each application, a detailed verification may not be required if:

- the investor is a recognised financial institution; and
- the investor makes the payment from an account held in the investor's name at a recognised financial institution.

These exceptions will only apply if the financial institution or intermediary referred to above is within a country recognised as having sufficient anti-money laundering regulations such as a member state of the European Union which is subject to the EC Money Laundering Directive or one of the countries which make up the Financial Action Task Force ("**FATF**") and which is subject to the FATF Recommendations.

An individual may be required to produce a copy of a passport or identification card certified by a notary public. In the case of corporate applications, they may be required to produce a certified copy of the certificate of incorporation (and any change of name); Master Company articles of association (or equivalent); and the names, occupations, dates of birth, residential and business addresses, and a copy of a passport or identification card certified by a notary public, of all directors or ultimate beneficiaries.

The Issuer reserves the right to request such information as is necessary to verify the identity of an applicant. If, within a reasonable period of time following a request for verification of identity, the Issuer has not received evidence satisfactory to it as mentioned above, it may, in its absolute discretion, refuse to allot the Notes applied for, in which event the subscription proceeds will be returned without interest to the account from which such proceeds were originally debited.

Part Eight – Signature(s) of Applicant(s)

30. By signing below I/we:

- confirm that I/we have read the final version of the Prospectus in full, including the section headed "*Risk Factors relating to the Notes*";
- agree to the terms of the Prospectus;
- acknowledge that this application is subject to the provisions of the Notes;

- acknowledge that the Notes are offered for subscription on the basis of the information contained in the final version of the Prospectus and that any further information given or representations made by any person may not be relied upon as having been authorised by the Issuer;
- acknowledge that the Issuer reserves the right to refuse any application (in its absolute discretion);
- acknowledge that the Issuer reserves the right to accept any application in whole or in part (in its absolute discretion);
- understand that the Issuer will be relying on the confirmations set out in this Application Form and authorise the Issuer to produce such Application Form in connection with any applicable legal or administrative proceedings;
- confirm that the Issuer (or its delegates) is allowed to process any order either in original, by email or by facsimile and I/we will indemnify the Issuer (or its delegates) against any losses, costs or claims the Issuer (or its delegates) may incur as a result of acting on such email or faxed orders. The Issuer (or its delegates) does not have any obligation to authenticate any such orders or verify the identity of any person giving such order when the Issuer (or its delegates) believes, in good faith, the order is genuine;
- confirm that I/we am/are aware that an investment in the Notes involves substantial risks not associated with a conventional debt or equity security and I/we have determined that an investment in the Notes is suitable to me/us, at this time, as I/we have the financial ability to bear the economic risk of my/our investment, have adequate means for providing for my/our current needs and possible contingencies, have no need for liquidity with respect to my/our investment in the Notes and I/we could bear a complete loss of my/our investment therein;
- confirm that I/we have such knowledge and experience in financial and business matters as to be capable of evaluating and understanding the merits of an investment in the Notes, confirm that I/we have independently evaluated and I/we understand the merits and risks connected with my/our investment in the Notes and confirm that I/we have made such consultations with my/our investment, legal, accounting, tax and other advisers as I/we consider necessary;
- confirm that I/we am/are in compliance with the legal requirements applicable to me/us in the jurisdiction in which I/we am/are established and/or resident and that the Notes have not been offered or promoted to me/us in violation of any securities laws applicable to me/us;
- confirm that I/we am/are not a U.S. Persons nor am/are I/we acting for the benefit or account of U.S. Persons (as such terms are defined in the final version of the Prospectus);
- confirm that I/we am/are not investing in reliance upon any representation, warranty or guarantee as to the performance to be achieved by the Notes;
- confirm that if I/we are a corporation, partnership, limited liability company, trust or other entity, I/we are duly authorised and qualified to become a Noteholder, and authorised to subscribe for Notes and the individual or individuals signing this Application Form and giving these warranties, as the case may be, on my/our behalf have been duly authorised

by me/us to do so and this application is, and upon acceptance by the Issuer will be, my/our legal, valid and binding obligations, enforceable against me/us in accordance with their respective terms;

- confirm that the execution of this Application Form and my/our acquisition of Notes will not conflict with, or result in any violation of or default under, any provision of any governing instrument applicable to me/us, or any material agreement or other instrument to which I/we am/are a party or by which I/we or any of my/our properties are bound, or any permit, franchise, judgement, decree, statute, rule or regulation applicable to me/us or my/our properties; and

Individual signatories must be over 21 years of age. Where there are joint applicants, and there must not be more than two, both must sign. Application Forms from a corporation must be signed by an authorised officer or be completed otherwise in accordance with its constitution. In such case an official authorised signatories list should be provided.

By signing below I/we further agree that data provided by me/us may be passed on to any company in the ABN AMRO group (and where necessary to third party service providers to such companies) (herein collectively referred to as the "**Data Recipients**"). The Data Recipients shall use the data provided by me/us exclusively for the administration of my/our investment and for marketing purposes and shall not make the data available to any other parties for any other purposes save in response to an administrative or juridical order directing them to do so. I/We have the right to receive a copy of all data provided by me/us that has been stored and I/we have the right to request corrections should any of the data stored be incorrect. The Data Recipients have undertaken adequate organisational and technical measures to ensure adequate protection of the data provided by me/us, in accordance with the applicable laws.

By signing below I/we consent to the recording of any telephone calls I/we make to the Issuer.

31. Joint applicants only - we hereby authorise the Issuer to effect transfers and redemptions of the Notes on the instructions of:
- (i) either one of the signatories below*;
 - (ii) both of the signatories below*.

*Delete either (i) or (ii). If (i) is chosen, the authority to accept one signature will remain in force until it is revoked in writing by either signatory. Failure to delete either option will result in both signatures being required for all transfers and redemptions.

32. Date

33. Signature(s)

34. As a result of this investment, your name has been included in the ABN AMRO Client Database for administrative purposes. If you do not wish to be included in this database please tick this box

The value of the Notes may go down as well as up.

Intermediary Name (if applicable)

Intermediary Code

THE ISSUER, CALCULATION AGENT

ABN AMRO Bank N.V., London Branch

250 Bishopsgate
London
EC2M 4AA

FISCAL AGENT, PAYING AGENT, LISTING AGENT

ABN AMRO Bank N.V.

MF 2020 Kemelstede 2
P.O. Box 3200
4800 DE Breda
The Netherlands

ADMINISTRATOR

Equity Trust Company (Curaçao) N.V.

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ABN·AMRO

gevestigd te Amsterdam

ABN AMRO Valuta Obligatie 2005 - 2015

Onder verwijzing naar de advertentie d.d. 1 oktober 2005 deelt ABN AMRO Bank N.V. het volgende mede. De totale omvang van de uitgifte met betrekking tot de ABN AMRO Valuta Obligatie 2005 - 2015 (ISIN Code: NL0000117554) is vastgesteld op EUR 10 miljoen. Exemplaren van het prospectus d.d. 3 oktober 2005 zijn kosteloos verkrijgbaar via 0900-MARKETS (0900-6275387, lokaal tarief), info@abnamromarkets.nl of via de website: www.abnamromarkets.nl

Amsterdam, 3 november 2005