



Solid partners. flexible solutions

FORTIS IFICO

(incorporated in the Cayman Islands)

FORTIS LUXEMBOURG FINANCE S.A.

(incorporated as a société anonyme under the laws of the Grand Duchy of Luxembourg registered with the Luxembourg Registry of Commerce and Companies under No. B 24,784)

U.S.\$3,000,000,000

Euro Medium Term Notes

Unconditionally* and irrevocably guaranteed by Fortis Bank nv-sa

(incorporated in the Kingdom of Belgium)

Under the Euro Medium Term Note Programme (the "Programme") FORTIS IFICO ("FORTISI") and FORTIS LUXEMBOURG FINANCE S.A. ("FORTISL") (together, the "Issuers" and each an "Issuer"), subject to compliance with all relevant laws, regulations and directives and subject to obtaining any appropriate official or other consents, may from time to time issue, in the case of FORTISI, outside the Cayman Islands, and in the case of FORTISL, outside Luxembourg, its Euro Medium Term Notes (the "Notes"). The Notes will be guaranteed on a subordinated or unsubordinated basis by Fortis Bank nv-sa (the "Guarantor"). The aggregate principal amount of Notes outstanding will not at any time exceed U.S.\$3,000,000,000 (or the equivalent in other currencies), as calculated by reference to the aggregate principal amount of the Notes.

The Notes will be issued on a continuous basis. The Notes may bear interest at a fixed or floating rate, on a variable coupon amount basis or any combination of those or may be issued on a fully discounted basis and not bear interest, and the amount payable on the redemption of Notes may be fixed or variable. Notes will be issued in series (each a "Series") having one or more issue dates and the same maturity date (if any), bearing interest (if any) on the same basis and at the same rate and on terms otherwise identical. The length of interest periods, and the rate of interest in respect thereof, may differ from the length, and the rate of interest in respect of subsequent or, as the case may be, preceding interest periods. Each Series may be issued in tranches (each a "Tranche") on different issue dates. The specific terms of each Series will be set forth in a pricing supplement to this Offering Circular (a "Pricing Supplement") which will contain the information described under "General Information". The Issuers may redeem the Notes if certain changes in Cayman Islands, Luxembourg or Belgian taxation law occur or, if the Pricing Supplement issued in respect of any Series so provides, in the circumstances set out in it. See "Terms and Conditions of the Notes — Redemption, Purchase and Options".

The Notes will be offered by the Issuers through Fortis Bank nv-sa, Barclays Bank PLC, BNP Paribas, Deutsche Bank AG London, Goldman Sachs International, Merrill Lynch International, Mizuho International plc, JPMorgan Securities Ltd., Morgan Stanley & Co. International Limited, Nomura International plc, Salomon Brothers International Limited, Société Générale and UBS AG, acting through its business group UBS Warburg (the "Dealers", which expression shall include any additional Dealers appointed under this Programme from time to time and details of which in relation to each Series will be set forth in the relevant Pricing Supplement). The Issuers or the Dealers may reject any offer as a whole or, subject to the terms of such offer, in part. Dealers may also purchase Notes on their own behalf. An issue of Notes may also be jointly and severally underwritten by two or more Dealers. See "Plan of Distribution".

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be listed on the Luxembourg Stock Exchange during the period of 12 months after the date hereof.

Each Tranche of Notes in bearer form will, unless otherwise provided on the Pricing Supplement, initially be represented by a temporary global Note which will be deposited on the issue date with a common depository on behalf of Euroclear Bank S.A./N.V., as operator of the Euroclear System (the "Euroclear Operator") and/or Clearstream Banking, société anonyme, Luxembourg ("Clearstream, Luxembourg") and/or any other relevant clearing system. Interests in temporary global Notes will be exchangeable for interests in permanent global Notes (together with any temporary global Note, the "Global Notes") or, if so provided in the relevant temporary Global Note, for definitive Notes in bearer or registered form after the date falling 40 days after the completion of distribution of the relevant Tranche upon certification as to non-U.S. beneficial ownership in the manner and upon compliance with the procedures described under "Summary of Provisions relating to Global Notes". Interests in a permanent Global Note will be exchangeable for definitive Notes in bearer form or registered form, in each case as described in "Summary of Provisions relating to Global Notes".

***In the case of Perpetual Notes Guaranteed on a Subordinated Basis only, payments of principal and Interest are conditional upon the Guarantor being solvent at the time of payment and in the event of the winding-up of the Issuer, the Guarantor shall become the principal debtor and the Noteholders shall cease to have any rights or claims against the Issuer, as more fully described under "Terms and Conditions of the Notes — Status and Guarantee" and "Terms and Conditions of the Notes — Events of Default".**

**Barclays Capital
Deutsche Bank
Goldman Sachs International
Merrill Lynch International
Morgan Stanley
Schroder Salomon Smith Barney**

**BNP PARIBAS
Fortis Bank nv-sa
JPMorgan
Mizuho International plc
Nomura International
SG Investment Banking**

UBS Warburg

Arranger for the Programme

Goldman Sachs International

The date of this Offering Circular is 11th December, 2001

This Offering Circular has been prepared for the purpose of giving information with regard to the Issuers, the Guarantor, their respective subsidiaries (if any) and the Notes. Each Issuer and the Guarantor accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge and belief of each Issuer and the Guarantor (which have taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Issuers and the Guarantor have confirmed to the Dealers that this Offering Circular (subject to being supplemented by the Pricing Supplements) contains all such information as investors and their professional advisers would reasonably require, and reasonably expect to find, for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuers and, where applicable, the Guarantor and of the rights attaching to the relevant Notes.

This Offering Circular should be read and construed with any amendment or supplement hereto and with any Pricing Supplement.

Neither of the Issuers nor the Guarantor have authorised the making or provision of any representation or information regarding such Issuer, the Guarantor or the Notes other than as contained or incorporated by reference in this Offering Circular or any Pricing Supplement or as approved for such purpose by such Issuer or the Guarantor. Any such representation or information should not be relied upon as having been authorised by such Issuer, the Guarantor or any Dealer.

Neither the delivery of this Offering Circular or any Pricing Supplement nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that there has been no adverse change in the financial situation of the Issuers or the Guarantor since the date hereof or the date upon which this document has been most recently amended or supplemented.

The distribution of this Offering Circular and the offering or sale of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuers, the Guarantor and the Dealers to inform themselves about and to observe any such restrictions. The Notes have not been and will be not be registered under the United States Securities Act of 1933, as amended, and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons. For a description of certain restrictions on offers and sales of Notes and on distribution of this Offering Circular see "Plan of Distribution".

Neither of the Issuers nor the Guarantor has authorised any offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995, as amended (the "Regulations") of Notes having a maturity of one year or more. Such Notes may not lawfully be offered or sold to persons in the United Kingdom except in circumstances which do not result in an offer to the public in the United Kingdom within the meaning of the Regulations or otherwise in compliance with all applicable provisions of the Regulations.

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

The Dealers have not separately verified the information contained in this Offering Circular. None of the Dealers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Offering Circular. Neither this Offering Circular nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by either of the Issuers, the Guarantor or any of the Dealers that any recipient of this Offering Circular or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers undertakes to review the financial condition or affairs of the Issuers or the Guarantor during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers.

The Stabilising Agent, named in the relevant Pricing Supplement, shall comply with all relevant laws, regulations and directives. References in the next paragraph to "this issue" are to each Series in relation to which a Stabilising Agent is appointed.

In connection with this issue, the Stabilising Agent (or any person acting for the Stabilising Agent) may over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might not otherwise prevail for a limited period. However, there may

be no obligation on the Stabilising Agent (or any agent of the Stabilising Agent) to do this. Such stabilising, if commenced, may be discontinued at any time, and must be brought to an end after a limited period. Such stabilising shall be in compliance with all applicable laws, regulations and rules.

In this Offering Circular, references to “BEF” are to Belgian francs, references to “LUF” are to Luxembourg Francs, references to “EUR” or “euro” are to the currency introduced at the start of the Third Stage of European economic and monetary union pursuant to the Treaty establishing the European Communities, as amended, references to “£” are to Sterling, references to “dollars”, “U.S. dollars”, “U.S.\$” and “\$” are to United States dollars and references to “billions” are to thousand millions.

DOCUMENTS INCORPORATED BY REFERENCE

The audited financial statements as contained in the most recently published annual report of FORTISI and FORTISL and the Guarantor from time to time shall be deemed to be incorporated in, and to form part of, this Offering Circular provided, however that any statement contained herein or in the most recently published audited financial statements of the Issuers or the Guarantor shall be deemed to be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any subsequent audited financial statements modifies or supersedes such statement.

This Offering Circular, together with each Pricing Supplement issued in respect of each Tranche of Notes, may only be used in connection with the offer, sale and listing of Notes in an aggregate principal amount of not more than U.S.\$3,000,000,000 (or its equivalent in other currencies) outstanding at any time.

The Issuers and the Guarantor have undertaken, that if at any time any event occurs as a result of which this Offering Circular would include a statement of fact concerning an Issuer, the Guarantor or the Programme which is not true and accurate in all material respects or omits any fact concerning an Issuer, the Guarantor or the Programme which is material in the context of the Programme or the omission of which would make misleading in any material respect any statement therein whether of fact or opinion, the Issuers and the Guarantor will prepare and make available an appropriate supplement to this Offering Circular or a further Offering Circular for use in connection with any subsequent issue of Notes to be listed on the Luxembourg Stock Exchange.

Copies of this Offering Circular (and all documents forming part thereof) will be available free of charge from the principal office of the Paying Agent or the Listing Agent in Luxembourg.

TABLE OF CONTENTS

	Page
Summary of the Terms and Conditions of the Notes	5
Terms and Conditions of the Notes	8
Use of Proceeds	27
Summary of Provisions Relating to Global Notes	28
FORTIS IFICO	30
Capitalisation and Indebtedness of FORTIS IFICO	31
Selected Financial Information of FORTIS IFICO	34
FORTIS LUXEMBOURG FINANCE S.A.	35
Capitalisation and Indebtedness of Fortis Luxembourg Finance S.A.	36
Selected Financial Information of Fortis Luxembourg Finance S.A.	38
Fortis Bank	39
General Description	39
Historical Overview	39
Activities	39
The Fortis Group	40
Strategy and Policy	41
Capital Adequacy – Rating	41
Management, Decision-making and Supervision	41
Management of the Bank	42
Recent Developments	43
Capitalisation	49
Consolidated Financial Statements	50
Taxation	55
Belgian Taxation	55
Plan of Distribution	57
Pro Forma Pricing Supplement	60
General Information	66

SUMMARY OF THE TERMS AND CONDITIONS OF THE NOTES

The following summary is qualified in its entirety by the remainder of this Offering Circular. The Notes may be issued on such terms as may be agreed between the relevant Dealer(s) and the relevant Issuer and, unless otherwise specified in the applicable Pricing Supplement in relation to any particular Tranche or Series, will be subject to the Terms and Conditions set out on pages 8 to 27. Each Series of Notes will be subject to compliance with all relevant laws, regulations and directives and subject to obtaining any appropriate official or other consents.

Issuers:	FORTIS IFICO; Fortis Luxembourg Finance S.A.
Guarantor:	Fortis Bank nv-sa.
Description:	Euro Medium Term Note Programme.
Guarantee:	Each of the Notes has the benefit of a guarantee (the “Guarantee”) from the Guarantor.
Arranger:	Goldman Sachs International.
Currencies:	Notes may be issued in U.S. dollars, Canadian dollars, Australian dollars, New Zealand dollars, Sterling, Euro, Japanese yen, Swedish kronor or Danish kroner or, in any other currencies if the Issuers and the Dealers so agree, subject in each case to all necessary consents being obtained and, subject to compliance with all relevant laws, regulations and directives.
Dealers:	Barclays Bank PLC, BNP PARIBAS, Deutsche Bank AG London, Fortis Bank nv-sa, Goldman Sachs International, J.P.Morgan Securities Ltd., Merrill Lynch International, Mizuho International plc, Morgan Stanley & Co. International Limited, Nomura International plc, Salomon Brothers International Limited, Société Générale, UBS AG, acting through its business group UBS Warburg and such other Dealers as may be appointed under the Programme.
Size:	Up to U.S.\$3,000,000,000 (or its equivalent in other currencies at the date of issue) in aggregate principal amount of Notes outstanding at any one time.
Maturities:	<p>Any maturity or no fixed maturity date, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.</p> <p>Any Notes in respect of which the issue proceeds are received by the Issuer in the United Kingdom and which must be redeemed before the first anniversary of their date of issue must (a) have a minimum denomination of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses or (b) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000 by the Issuer.</p>
Issue Price:	Notes may be issued at par or at a discount or premium to par or with a zero coupon. Partly-paid Notes may be issued, the issue price of which will be payable in two or more instalments.

Method of Issue:	The Notes will be issued in one or more Series (which may be issued on the same date or which may be issued in more than one Tranche on different dates). The Notes with respect to each Series will either mature on the same date or have no fixed maturity date, bear interest (if any) on the same basis and otherwise be subject to identical terms and may be issued in Tranches on a continuous basis with, save as mentioned below, no minimum issue size. Further Notes may be issued as part of an existing Series.
Fixed Interest Rate Notes:	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Pricing Supplement and at maturity (if any).
Floating Rate Notes:	Floating Rate Notes will bear interest set separately for each Series by reference to LIBOR, LIBID, LIMEAN or EURIBOR (or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin. Interest periods will be specified in the relevant Pricing Supplement.
Zero Coupon Notes:	Zero Coupon Notes may be issued at their principal amount or at a discount to par and will not bear interest.
Variable Coupon Amount Notes:	The Pricing Supplement issued in respect of each issue of Variable Coupon Amount Notes will specify the basis for calculating the amounts of interest payable, which may be by reference to an index or formula or as otherwise provided in the relevant Pricing Supplement.
Fixed Redemption Amount Notes:	Fixed Redemption Amount Notes may be redeemable at par, at a premium to par or at a discount to par by specifying the redemption amount in the relevant Pricing Supplement.
Variable Redemption Notes:	The Pricing Supplement in respect of each issue of Variable Redemption Amount Notes should specify the basis for calculating the redemption amounts payable, which may be calculated by reference to an index or formula or as otherwise provided in the relevant Pricing supplement.
Other Notes:	Further terms applicable to Indexed Notes, High Interest Notes, Low Interest Notes, Step-up Notes, Step-down Notes, Dual Currency Notes, Reverse Dual Currency Notes, Optional Dual Currency Notes, Partly paid Notes and any other type of Note which the relevant Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Pricing Supplement.
Form of Notes:	Notes may be in bearer or in registered form. Each Tranche of bearer Notes will initially be represented by a temporary Global Note held by a common depositary on behalf of the Euroclear Operator and/or Clearstream, Luxembourg and/or any other relevant clearing system and interests therein will be credited to the accounts of the relevant purchasers with the Euroclear Operator and/or Clearstream, Luxembourg and/or any other relevant clearing system. Interests in each temporary Global Note will be exchanged for interests in a permanent Global Note not earlier than 40 days after the issue date upon certification as to non-U.S. beneficial ownership. Interests in each permanent Global Note may be exchanged for definitive Notes in bearer form or registered form on 60 days' prior notice. See "Summary of Provisions relating to Global Notes".

Denominations:	Notes will be issued in any denominations agreed between the relevant Issuer and the relevant Dealer(s), subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Optional Redemption:	The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed at the option of the relevant Issuer or the Guarantor (either in whole or in part) and/or the holders, and if so, the terms applicable to such redemption.
Early Redemption:	Except as provided in “Optional Redemption” above, Notes will be redeemable at the option of the relevant Issuer only for tax reasons.
Redemption by Instalments:	The Pricing Supplement issued in respect of each issue of Notes which are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.
Redenomination:	As set out in relevant Pricing Supplement.
Listing:	Notes may be listed on the Luxembourg Stock Exchange and/or any other listing authority, stock exchange and/or quotation system specified in the relevant Pricing Supplement. Notes may also be unlisted.
Status of Notes and the Guarantee:	The Notes will be direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer. The Notes will not be subordinated obligations of the relevant Issuer. The Guarantees will either be direct, unconditional, unsubordinated and unsecured obligations of the Guarantor or subordinated obligations of the Guarantor.
Negative Pledge and Cross-Default:	As described in “Terms and Conditions of the Notes”.
Withholding Tax:	All payments of principal and interest in respect of the Notes and the Guarantees by the Issuers or the Guarantor will be made without deduction for or on account of withholding taxes (if any), imposed in the Cayman Islands (in the case of FORTIS), Luxembourg (in the case of FORTISL) or the Kingdom of Belgium (in the case of the Guarantor) subject to customary exceptions as specified in the Terms and Conditions.
Governing Law:	The Notes and the Guarantees given by the Guarantor on an unsubordinated basis will be governed by and construed in accordance with English law. The Guarantees given by the Guarantor on a subordinated basis will be governed by Belgian law.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement in relation to any particular Tranche or Series, will be endorsed on the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series, details of the relevant Series being shown on the relevant Notes and in the relevant Pricing Supplement:—

The Notes are issued pursuant to an Amended and Restated Agency Agreement dated 11th December, 2001 (as amended or supplemented from time to time, the “Agency Agreement”) between FORTIS IFICO and Fortis Luxembourg Finance S.A. (together, the “Issuers” and each, an “Issuer”) Fortis Bank nv-sa, Banque Générale du Luxembourg, S.A. as fiscal agent (the “Fiscal Agent”), registrar (the “Registrar”), principal paying agent (the “Principal Paying Agent”), transfer agent (the “Transfer Agent”) and calculation agent (the “Calculation Agent”), Fortis Bank nv-sa as alternative principal paying agent (the “Alternative Principal Paying Agent”) and Citibank, N.A. as paying agent (together with the Principal Paying Agent and any additional or other paying agents in respect of the Notes from time to time appointed, the “Paying Agents”) and as transfer agent (together with the Transfer Agent referred to above and any additional or other transfer agents in respect of the Notes from time to time appointed, the “Transfer Agents”). For the purposes of these Conditions, “Principal Paying Agent” means, in relation to any series of Notes, the Fiscal Agent or the Principal Paying Agent specified above or the Alternative Principal Paying Agent, as specified on this Note. The initial Calculation Agent (if any) is specified on this Note. The Noteholders (as defined below), the holders of the coupons (the “Coupons”) appertaining to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “Talons”) (the “Couponholders”) and the holders of the instalment receipts (the “Receipts”) appertaining to the payment of principal by instalments (the “Receiptholders”) are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

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

1. Form, Denomination and Title

The Notes are issued in bearer form (“Bearer Notes”, which expression includes Notes which are specified to be Exchangeable Bearer Notes) in the denomination of the Denomination(s), in registered form (“Registered Notes”) in amounts of the Denomination or an integral multiple thereof (“Authorised Denominations”) or in bearer form exchangeable for Registered Notes (“Exchangeable Bearer Notes”) and, in each case, serially numbered.

Bearer Notes are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes which do not bear interest in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Any Bearer Note the principal amount of which is redeemable in instalments is issued with one or more Receipts attached.

Title to the Bearer Notes and the Receipts, Coupons and Talons appertaining thereto shall pass by delivery. Title to the Registered Notes shall pass by registration in the register which the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement. Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Receipt, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Receipt, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone.

In these Conditions, “Noteholder” means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), “holder” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them on this Note, the absence of any such meaning indicating that such term is not applicable to this Note.

No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.

2. Exchanges of Bearer Notes and Transfers of Registered Notes

(a) Exchange of Bearer Notes

Subject as provided in Condition 2(e), Exchangeable Bearer Notes may be exchanged for the same aggregate principal amount of Registered Notes of an Authorised Denomination at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Receipts, Coupons and Talons relating to it, at the specified office of the Registrar or any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 7(b)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Denomination may not be exchanged for Bearer Notes of another Denomination. Bearer Notes which are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

A Registered Note may be transferred in whole or in part in an Authorised Denomination upon the surrender of the Registered Note to be transferred, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar or any Transfer Agent. In the case of a transfer of part only of a Registered Note a new Registered Note in respect of the balance not transferred will be issued to the transferor.

(c) Delivery of new Registered Notes

Each new Registered Note to be issued upon exchange of Exchangeable Bearer Notes or transfer of Registered Notes will, within three business days (being a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Transfer Agent or the Registrar to whom such request for exchange or transfer shall have been delivered) of receipt of such request for exchange or form of transfer, be available for delivery at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom such delivery shall have been made or, at the option of the holder making such delivery as aforesaid and as specified in the relevant request for exchange or form of transfer, be mailed at the risk of the holder entitled to the new Registered Note to such address as may be specified in such request for exchange or form of transfer.

(d) Exchange free of charge

Exchange of Notes on registration or transfer will be effected without charge by or on behalf of the relevant Issuer, the Registrar or the Transfer Agents, but upon payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require) in respect of any tax or other governmental charges which may be imposed in relation to it.

(e) Closed periods

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for a Registered Note (i) during the period of 15 days ending on the due date for any payment of principal on that Note, (ii) during the period of 15 days prior to any date on which Notes may be redeemed by the Issuer at its option pursuant to Condition 6(e) or (iii) after any such Note has been drawn for redemption in whole or in part. An Exchangeable Bearer Note called for redemption may, however, be exchanged for a Registered Note which is simultaneously surrendered not later than the relevant Record Date.

3. Status and Guarantee

(a) Status of Notes

The Notes constitute direct, unsubordinated, unsecured, unconditional and general obligations of the Issuer and rank *pari passu* without any preference among themselves and at least equally with all other present and future unsecured and unsubordinated indebtedness, including guarantees and other obligations of a similar nature, of the Issuer.

(b) Senior Guarantee

This Condition 3(b) is applicable in relation to Notes being guaranteed on an unsubordinated basis.

The Guarantor has, by the guarantees endorsed on the Notes (the “Guarantees”), unconditionally and irrevocably guaranteed the due and punctual payment of all amounts due from the Issuer under the Notes and the Receipts and Coupons relating to them (including any additional amounts payable under Condition 8 below), when and as the same shall become due and payable, whether by declaration or acceleration or otherwise.

The Guarantees constitute direct, unconditional, irrevocable, unsubordinated and (subject to the provisions of Condition 4 below) unsecured obligations of the Guarantor and rank *pari passu* (subject to mandatorily preferred debts under applicable laws) equally and rateably with all other present and future outstanding unsecured and unsubordinated obligations of the Guarantor.

(c) *Senior Subordinated Guarantee*

This Condition 3(c) is applicable in relation to Notes to which both the following conditions apply, namely (i) the Notes do have a Maturity Date and (ii) the Notes are being guaranteed on a subordinated basis (“Dated Notes Guaranteed on a Subordinated Basis”).

The Guarantor has, by the guarantees endorsed on the Notes (the “Guarantees”), unconditionally and irrevocably guaranteed, on a subordinated basis, the due and punctual payment of all amounts due from the Issuer under the Notes and the Receipts and Coupons relating to them (including any additional amounts payable under Condition 8 below) when and as the same shall become due and payable, whether by declaration or acceleration or otherwise.

As more fully described in the Guarantees, the obligations of the Guarantor in respect of the Guarantees constitute senior subordinated obligations of the Guarantor. Accordingly, in the events specified in the Guarantees, the liabilities of the Guarantor under or pursuant to the Guarantees shall not be required to be satisfied until satisfaction of all indebtedness of the Guarantor to the depositors and Senior Creditors or the amount necessary for that purpose shall have been deposited in consignment. As more fully described in the Guarantees, “Senior Creditors” means all present and future unsubordinated creditors of the Guarantor.

(d) *Junior Subordinated Guarantee*

This Condition 3(d) is applicable in relation to Notes to which both the following conditions apply, namely (i) the Notes do not have a Maturity Date and (ii) the Notes are guaranteed on a subordinated basis (“Perpetual Notes Guaranteed on a Subordinated Basis”).

The Guarantor has, by guarantees endorsed on the Notes (the “Guarantees”), as primary obligor guaranteed, on a subordinated basis, the due and punctual payment of all amounts payable by the Issuer on or in respect of the Notes and the Receipts and Coupons relating to them (including any additional amounts payable under Condition 8 below) when and as the same shall become due and payable, whether by declaration or acceleration or otherwise.

The Guarantees constitute direct, unsecured and junior subordinated obligations of the Guarantor, conditional as described below, and rank (i) *pari passu* without any preference among the other Guarantees of the Notes, (ii) junior to all present and future unsecured obligations of the Guarantor which are or are expressed to be subordinated to the unsecured, unsubordinated obligations of the Guarantor but not further or otherwise (“Senior Subordinated Obligations”), (iii) at least equally and rateably with all other present and future obligations of the Guarantor which rank or are expressed to rank junior to the Senior Subordinated Obligations and (iv) in priority to the rights and claims of holders of all classes of equity (including holders of preference shares (if any)) issued by the Guarantor, subject to mandatory provisions of Belgian law.

Claims in respect of the Guarantees are subordinated to the claims of Senior and Subordinated Creditors (as defined below), including holders of Dated Notes Guaranteed on a Subordinated Basis, and payments of principal and interest by the Issuer in respect of Perpetual Notes Guaranteed on a Subordinated Basis will be conditional upon the Guarantor being solvent at the time of payment by the Issuer and no principal or interest shall be due and payable in respect of Perpetual Notes Guaranteed on a Subordinated Basis except to the extent that (assuming a payment was then due by the Guarantor) the Guarantor could make such payment in whole or in part, rateably with payments in respect of Other *Pari Passu* Claims (as defined below), and still be solvent immediately thereafter. For the purposes of these Conditions the Guarantor shall be solvent if (i) it is able to pay its debts as they

fall due and (ii) its Assets exceed its Liabilities (in each case as defined below) (other than its Liabilities to persons who are not Senior and Subordinated Creditors). A report as to the solvency of the Guarantor by two directors of the Guarantor or (if the Guarantor is in winding-up, liquidation or bankruptcy) the liquidator of the Guarantor, shall in the absence of proven error be treated and accepted by the Issuer, the Guarantor, the Noteholders, and the Couponholders and the Receiptholders (if any) as correct and sufficient evidence thereof.

For the purposes of these Conditions, “Senior and Subordinated Creditors” means, in relation to the Guarantor, all creditors of the Guarantor (including any holders of Dated Notes Guaranteed on a Subordinated Basis) other than creditors whose claims are in respect of: (i) any class of equity (including preference shares), subject to mandatory provisions of Belgian law, or (ii) unsecured, subordinated obligations which are or are expressed to be subordinated to the Senior Subordinated Obligations of the Guarantor or (iii) any other obligations which rank or are expressed to rank either *pari passu* with or junior to the claims of the holders of Perpetual Notes Guaranteed on a Subordinated Basis and Coupons and Receipts (if any) appertaining thereto under the Guarantees; “Assets” means the total assets of the Guarantor and “Liabilities” means the total liabilities of the Guarantor, each as shown by the latest published audited balance sheet of the Guarantor but adjusted for contingencies and for subsequent events, all valued in such manner as such directors or liquidator (as the case may be) may determine; and “Other *Pari Passu* Claims” means claims of creditors of the Guarantor which are subordinated so as to rank or are expressed to rank *pari passu* with the claims of the holders of Perpetual Notes Guaranteed on a Subordinated Basis and Coupons and Receipts (if any) appertaining thereto under the Guarantees.

If the Guarantor would not otherwise be solvent for the purposes of these Conditions, the amount of the principal and sums which would otherwise be payable as interest on Perpetual Notes Guaranteed on a Subordinated Basis will be available to meet the losses of the Guarantor.

4. Negative Pledge

This Condition 4 is not applicable to Dated Notes Guaranteed on a Subordinated Basis or Perpetual Notes Guaranteed on a Subordinated Basis.

So long as any of the Notes, Receipts or Coupons remains outstanding (as defined in the Agency Agreement), neither the Issuer nor the Guarantor will create or permit to exist any mortgage, lien (other than liens arising by operation of law), pledge, charge or other security interest upon the whole or any part of its present or future assets or revenues (i) in the case of the Issuer, to secure any loan debt, guarantee or other obligation or (ii) in the case of the Guarantor, to secure any indebtedness represented by, or in the form of, bonds, notes, debentures or other securities or any guarantee or indemnity from the Guarantor in respect of such indebtedness of others, in each case unless the Notes, Receipts and Coupons share in and are equally and rateably secured by such mortgage, lien, pledge, charge or other security interest, and the instrument creating such mortgage, lien, pledge, charge or other security interest expressly so provides.

5. Interest

(a) Interest Rate on Fixed Rate Notes and Accrual

Each Note bears interest on its outstanding principal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Interest Rate payable (subject, in the case of Perpetual Notes Guaranteed on a Subordinated Basis, to Condition 3(d)) in arrear on each Interest Payment Date provided (in the case of Perpetual Notes Guaranteed on a Subordinated Basis) that such date is a Compulsory Interest Payment Date in which case interest shall be payable in respect of the interest accrued in the Interest Period ending on the day immediately preceding such date.

In the case of Perpetual Notes Guaranteed on a Subordinated Basis, on any Optional Interest Payment Date there may be paid (if the Issuer so elects but subject to Condition 3(d)) the interest accrued in the Interest Period ending on the day immediately preceding such date but the Issuer shall not have any obligation to make such payment and any failure to pay shall not constitute a default by the Issuer or the Guarantor for any purpose. Any interest not paid in respect of Perpetual Notes Guaranteed on a Subordinated Basis on an Optional Interest Payment Date shall, so long as the same remains unpaid, constitute “Arrears of Interest” which term shall include interest on such unpaid interest as referred to

below. Arrears of Interest may at the option of the Issuer be paid in whole or in part at any time upon the expiration of not less than seven days notice to such effect given to the Noteholders in accordance with Condition 14, but all Arrears of Interest on all Notes outstanding shall (subject to Condition 3(d)) become due in full on whichever is the earliest of (i) the Interest Payment Date immediately following the date upon which a dividend is next declared or paid on any class of share capital of the Guarantor, (ii) the date set for any redemption pursuant to Condition 6(b) or (e) and (iii) the date that an order is made or an effective resolution is passed for the winding-up, liquidation or bankruptcy of the Guarantor or the commencement of judicial composition proceedings (*concordat judiciaire*) in respect of the Guarantor. If notice is given by the Issuer of its intention to pay the whole or part of Arrears of Interest, the Issuer shall be obliged (subject to Condition 3(d)) to do so upon the expiration of such notice. Where Arrears of Interest are paid in part, each such payment shall be applied in or towards satisfaction of the full amount of the Arrears of Interest accrued in respect of the earliest Interest Period in respect of which Arrears of Interest have accrued and have not been paid in full. Arrears of Interest shall bear interest at the rate applicable to the Notes.

Interest will cease to accrue on each Note on the due date for redemption unless, upon due presentation payment of principal is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the Interest Rate in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

(b) *Business Day Convention*

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

(c) *Interest Rate on Floating Rate Notes*

If the Interest Rate is specified as being Floating Rate, it will be determined by the Calculation Agent on the basis of the following provisions:—

- (i) At or about the Relevant Time on the Interest Determination Date in respect of each Interest Accrual Period, the Calculation Agent will:—
 - (A) in the case of Notes which specify that the Primary Source for Interest Rate Quotations shall be derived from a specified page, section or other part of a particular information service (each as specified on such Notes), determine the Interest Rate for each Interest Accrual Period which shall, subject as provided below, be (x) the Relevant Rate so appearing in or on that page, section or other part of such information service as aforesaid (where such Relevant Rate is a composite quotation or interest rate per annum or is customarily supplied by one entity) or (y) the arithmetic mean (rounded, if necessary, to the next higher one-hundred thousandth of a percentage point) of the Relevant Rates of the persons at the time whose Relevant Rates so appear in or on that page, section or other part of such information service as aforesaid, in any such case in respect of euro-currency deposits in the relevant currency for a period equal to the Specified Duration and as adjusted by the Spread or Spread Multiplier (if any) or by the Maximum or Minimum Interest Rate; and
 - (B) in the case of Notes which specify that the Primary Source for Interest Rate Quotations shall be the Reference Banks specified on such Notes and in the case of Notes falling within paragraph (i)(A) above but in respect of which no Relevant Rate appears at or

about such Relevant Time or, as the case may be, which are to be determined by reference to quotations of persons appearing in or on the relevant page, section or other part of such information service as aforesaid but in respect of which less than two Relevant Rates appear at or about such Relevant Time, request the principal offices in the Relevant Financial Centre (or, in the case of Notes denominated in euro, the principal offices in the euro-zone selected by the Calculation Agent) of each of the Reference Banks specified on such Notes (or, as the case may be, any substitute Reference Bank appointed from time to time pursuant to paragraph (g) below) to provide the Calculation Agent with its Relevant Rate quoted to leading banks for euro-currency deposits in the relevant currency for a period equivalent to the Specified Duration. Where this paragraph (i)(B) shall apply, the Interest Rate for the relevant Interest Accrual Period shall, subject as provided below, be the arithmetic mean (rounded, if necessary, to the next higher one-hundred thousandth of a percentage point) of such Relevant Rates as adjusted by the Spread or Spread Multiplier (if any) or by the Maximum or Minimum Interest Rate, as calculated by the Calculation Agent.

- (ii) If, at or about the Relevant Time on any Interest Determination Date where the Interest Rate falls to be determined pursuant to paragraph (i)(B) in respect of a Note, two or three only of such Reference Banks provide such relevant quotations, the Interest Rate for the relevant Interest Accrual Period shall, subject as provided below, be determined as aforesaid on the basis of the Relevant Rates quoted by such Reference Banks.
- (iii) If, at or about the Relevant Time on any Interest Determination Date where the Interest Rate falls to be determined pursuant to paragraph (i)(B), only one or none of such Reference Banks provide such Relevant Rates, the Interest Rate for the relevant Interest Accrual period shall be, subject as provided below, whichever is the higher of:—
 - (A) the Interest Rate in effect for the last preceding Interest Accrual Period to which paragraphs (i)(A) or (B) or (ii) above shall have applied (after readjustment for any difference between any Spread or Spread Multiplier applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period); and
 - (B) the rate per annum (expressed as a percentage) which the Calculation Agent determines to be the arithmetic mean (rounded, if necessary, to the next higher one-hundred thousandth of a percentage point) of the Relevant Rates in respect of the relevant currency which banks in the principal financial centre of the country of such currency (or, in the case of Notes denominated in euro, in such financial centre or centres in the euro-zone selected by the Calculation Agent) selected by the Calculation Agent (after consultation with the Issuer and the Guarantor) are quoting at or about the Relevant Time on the relevant Interest Determination Date for a period equivalent to the Specified Duration to leading banks carrying on business in that principal financial centre (or, in the case of Notes denominated in euro, in such financial centre or centres in the euro-zone selected by the Calculation Agent), as adjusted by the Spread or Spread Multiplier (if any) except that, if the banks so selected by the Calculation Agent are not quoting as aforesaid, the Interest Rate shall be the Interest Rate specified in paragraph (iii)(A) above.

(d) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph (d), “ISDA Rate” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Fiscal Agent under an interest rate swap transaction if the Fiscal Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2000 ISDA Definitions as amended and updated as at the issue date of the first Tranche of the Notes, published by the International Swaps and Derivatives Association, Inc. (the “ISDA Definitions”) and under which:

- (1) the Floating Rate Option is as specified in the applicable Pricing Supplement;
- (2) the Designated Maturity is a period specified in the applicable Pricing Supplement; and

- (3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate (“LIBOR”) for a currency, the first day of that Interest Period, (ii) if the applicable Floating Rate Option is based on the euro-zone inter-bank offered rate (“EURIBOR”), the first day of that Interest Period or (iii) in any other case, as specified in the applicable Pricing Supplement.

For the purposes of this sub-paragraph (d), “Floating Rate”, “Calculation Agent”, “Floating Rate Option”, “Designated Maturity” and “Reset Date” have the meanings given to those terms in the ISDA Definitions.

(e) *Minimum/Maximum Interest Rates, Spreads and Spread Multipliers*

If any figure is expressed to be as adjusted by a Spread or Spread Multiplier, such adjustment shall be made by adding or subtracting any Spread specified on this Note or multiplying by any Spread Multiplier specified on this Note, subject always to the next paragraph.

If a Maximum or Minimum Interest Rate is specified on this Note, then the Interest Rate shall in no event exceed the maximum or be less than the minimum.

(f) *Calculation*

The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Interest Rate and the outstanding principal amount of such Note by the Day Count Fraction and rounding, if necessary, the resultant figure to the nearest minimum unit of the relevant currency (half of such unit being rounded upwards). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period will be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

(g) *Determination and Publication of Interest Rate and Interest Amounts by the Calculation Agent*

If a Calculation Agent is provided for on this Note, it will, as soon as practicable after the Relevant Time on each Interest Determination Date, determine the Interest Rate and calculate the amount of interest payable (the “Interest Amounts”) in respect of each Denomination of the Notes (in the case of Bearer Notes) and the minimum Denomination (in the case of Registered Notes) for the relevant Interest Accrual Period and cause the Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Principal Paying Agent, the Issuer, the Guarantor, the Registrar, each of the Paying Agents, any listing authority, stock exchange or quotation system on which the Notes are listed and/or traded and the Noteholders as soon as possible after their determination but in no event later than the fourth Relevant Business Day thereafter. The Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made. The determination of the Interest Rate and the Interest Amounts by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(h) *Calculation Agent and Reference Banks*

The Issuer will procure that there shall at all times be four Reference Banks with offices in the Relevant Financial Centre (or, in the case of Notes denominated in euro, in the financial centre or centres selected by the Issuer) and a Calculation Agent if provision is made for them in the Conditions applicable to this Note and for so long as it is outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Calculation Agent will appoint another Reference Bank with an office in the Relevant Financial Centre (or, in the case of Notes denominated in euro, in the financial centre or centres in the euro-zone) to act as such in its place. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Interest Rate for any Interest Period or to calculate the Interest Amounts, the Issuer will appoint the London office of a leading bank engaged in the London

interbank market to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(i) *Definitions*

As used in these Conditions:—

“Compulsory Interest Payment Date” means any Interest Payment Date if, in the calendar year immediately preceding such Interest Payment Date, any dividend has been declared or paid on any class of share capital of the Guarantor and if the Guarantor is solvent.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (the “Calculation Period”, whether or not constituting an Interest Period):—

- (i) if “Actual/365” or “Actual/Actual (ISDA)” is specified on the face of the Note, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365, or means such other basis as may be specified on the face of the Notes as being “Actual/Actual”);
- (ii) if “Actual/365 (Fixed)” is specified on the face of the Note, the actual number of days in the Calculation Period divided by 365;
- (iii) if “Actual/360” is specified on the face of the Note, the actual number of days in the Calculation Period divided by 360;
- (iv) if “30/360, “360/360” or “Bond Basis” is specified on the face of the Note, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month));
- (v) if “30E/360” or “Eurobond Basis” is specified on the face of the Note, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period); and
- (vi) if “Actual/Actual (ISMA)” is specified in the applicable Pricing Supplement, means:—
 - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (b) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;

“euro” means the single currency of the participating member states of the European Union, as contemplated by the Treaty on European Union.

“euro-zone” means the region comprising the member states of the European Union which adopt or have adopted the euro as their lawful currency in accordance with the Treaty establishing the European Communities, as amended.

“Interest Accrual Period” means the period beginning on the Interest Commencement Date and ending on the first Interest Period Date and each successive period beginning on an Interest Period Date and ending on the next succeeding Interest Period Date.

“Interest Commencement Date” means the date of issue of this Note (the “Issue Date”) or such other date as may be specified on it.

“Interest Determination Date” means, in respect of any Interest Accrual Period, that number of Relevant Business Days prior to the first day of such Interest Accrual Period or to the relevant Interest Payment Date as is set out on this Note.

“Interest Period” means the period beginning on the Interest Commencement Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date.

“Interest Period Date” means each Interest Payment Date unless otherwise specified on this Note.

“Interest Rate” means the rate of interest payable from time to time in respect of this Note and which is either specified, or calculated in accordance with the provisions, on this Note.

“Optional Interest Payment Date” means any Interest Payment Date other than a Compulsory Interest Payment Date.

“Regular Period” means:—

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

“Relevant Business Day” means:—

- (A) in the case of a specified currency other than euro or one or more specified financial centres, a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the principal financial centre for that currency and/or each of the financial centres so specified; and/or
- (B) in the case of euro, a day on which the TARGET System is operating.

“Relevant Financial Centre” means London or such other or additional financial centre or centres as may be specified on this Note.

“Relevant Rate” means:—

- (A) an offered rate in the case of a Note the Benchmark for which relates to an offered rate;
- (B) a bid rate in the case of a Note the Benchmark for which relates to a bid rate; and
- (C) the mean of an offered and bid rate in the case of a Note the Benchmark for which relates to the mean of an offered and bid rate.

“Relevant Time” means the local time in the Relevant Financial Centre specified on this Note or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the relevant currency in the interbank market in that Relevant Financial Centre.

“Specified Duration” means the Interest Period unless otherwise specified on this Note.

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System.

(j) *Interest Rate on Zero Coupon Notes*

Where a Note the Interest Rate of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Redemption Amount of such Note as determined in accordance with Condition 6(d)(iii). As from the Maturity Date, the Interest Rate for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield shown on such Note.

6. Redemption, Purchase and Options

(a) *Final Redemption*

Unless this Note is a Perpetual Note Guaranteed on a Subordinated Basis or it is previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any Issuer’s or Noteholder’s option in accordance with Condition 6(e) or (f), this Note will be redeemed at its Redemption Amount (which, unless otherwise provided, is its principal amount) on the Maturity Date (the “Final Redemption Amount”) specified on this Note. If this Note is a Perpetual Note Guaranteed on a Subordinated Basis the Issuer shall not be at liberty to redeem the Note except pursuant to Condition 6(b) or (if applicable) Condition 6(e) and references to Maturity Date in these Conditions are not applicable.

(b) *Redemption for taxation reasons*

If, as a result of any amendment to or change in the laws or regulations of the Cayman Islands, Luxembourg or the Kingdom of Belgium or any political subdivision thereof or any authority or agency therein or thereof or in the interpretation or administration of any such laws or regulations which becomes effective on or after the Issue Date, the Issuer (or, if the Guarantees were called, the Guarantor) would, on the occasion of the next payment date in respect of the Notes, be required to pay additional amounts as provided in Condition 8, the Issuer may, at its option, on any Interest Payment Date or, if so specified on this Note, at any time on giving not more than 45 nor less than 30 days’ notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 14 redeem all, but not some only, of the Notes at their Redemption Amount together with interest accrued to the date fixed for redemption, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor) would be obliged to pay such additional amounts were a payment in respect of the Notes (or the Guarantees) then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(b), the Issuer shall deliver to the Fiscal Agent a certificate signed by two persons each of whom is a Director of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of the facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred.

(c) *Purchases*

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

(d) *Early Redemption of Zero Coupon Notes*

(i) The Redemption Amount payable in respect of any Note the Interest Rate of which is specified to be Zero Coupon upon redemption of such Note pursuant to Condition 6(b) or, if applicable, Condition 6(e) or (f) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note.

(ii) Subject to the provisions of sub-paragraph (iii) below, the “Amortised Face Amount” of any such Note shall be the sum of (A) the Reference Price shown on such Note and (B) the aggregate amortisation of the difference between the Reference Price and the principal amount of such Note from its date of issue to the date on which such Note becomes due and payable at a rate per annum (expressed as a percentage) equal to the Amortisation Yield shown on such Note

compounded annually. Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown on such Note.

- (iii) If the Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(b) or, if applicable, Condition 6(e) or (f), or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the reference therein to the date on which the Note becomes due and payable were replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment), until the Relevant Date unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the principal amount of such Note together with any interest which may accrue in accordance with Condition 5(j).

(e) *Redemption at the Option of the Issuer and Exercise of Issuer's Options*

If so provided on this Note or in any event if this Note does not have a Maturity Date, the Issuer shall, on the Issuer or the Guarantor giving irrevocable notice to the Noteholders falling within the Issuer's Option Period redeem, or exercise any Issuer's option in relation to, all or (in the case only of Notes which have a Maturity Date), if so provided, some of such Notes in the principal amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount together with interest accrued (if any) to the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of such option the notice to Noteholders shall also contain the serial numbers of the Notes to be redeemed, which shall have been drawn in such place as the Fiscal Agent may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and listing authority, stock exchange or quotation system requirements.

(f) *Redemption at the Option of Noteholders and Exercise of Noteholders' Options*

If so provided on this Note, the Issuer shall, at the option of the holder of any such Note, redeem such Note on the date or dates so provided at its Redemption Amount together with interest accrued (if any) to the date fixed for redemption.

To exercise such option or any other Noteholders' option which may be set out on this Note the holder must deposit such Note with any Paying Agent (in the case of Bearer Notes) or the Registrar or any Transfer Agent (in the case of Registered Notes) at its specified office, together with a duly completed option exercise notice ("Exercise Notice") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent within the Noteholders' Option Period. No Note so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(g) *Redemption by Instalments*

Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates so specified on this Note) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 6(e) or (f), each Note which provides for Instalment Dates and Instalment Amounts will be partially redeemed on each Instalment Date at the Instalment Amount specified on it, whereupon the outstanding principal amount of such Note shall be reduced by the Instalment Amount for all purposes.

(h) *Cancellation*

All Notes redeemed by the Issuer and all Notes purchased (otherwise than in the ordinary course of business of dealing in securities or as a nominee) by or on behalf of the Issuer, the Guarantor or any of their subsidiaries will be cancelled forthwith (together with all unexpired Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith) and may not be reissued or resold

and the obligations of the Issuer and/or the Guarantor in respect of any such Notes shall be discharged.

(i) *Consents*

Any redemption by the Issuer of Notes guaranteed on a Subordinated Basis pursuant to Condition 6(b) or (if applicable) Condition 6(e) and any purchase and cancellation of Notes guaranteed on a Subordinated Basis pursuant to Condition 6(c) and (h) will be subject to the prior consent of the Belgian Banking and Finance Commission (*Commissie voor Bank- en Financieuzen/ Commission Bancaire et Financière*).

7. Payments and Talons

(a) *Bearer Notes*

Payments of principal and interest in respect of Bearer Notes will, subject as mentioned below and (in the case of Perpetual Notes Guaranteed on a Subordinated Basis) subject to Condition 3(d), be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on, or, at the option of the holders, by transfer to an account denominated in that currency with, a bank in the principal financial centre of that currency; Provided that (i) in the case of Sterling, the cheque shall be drawn on a town clearing branch of a bank in the City of London, (ii) in the case of euro, the transfer may be to a euro account or on an account which accepts euro payments and (iii) in the case of Japanese yen, the transfer will be to a non-resident Japanese yen account with an authorised foreign exchange bank (in the case of payment to a non-resident of Japan).

(b) *Registered Notes*

(i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes will be made, subject (in the case of Perpetual Notes Guaranteed on a Subordinated Basis) to Condition 3(d), against presentation and surrender of the relevant Notes at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (a) above.

(ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes will be paid, subject (in the case of Perpetual Notes Guaranteed on a Subordinated Basis) to Condition 3(d), to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "Record Date"). Payments of interest on each Registered Note will be made in the currency in which such payments are due by cheque drawn on a bank (being a town clearing branch of a bank in the case of Sterling) in the principal financial centre of the country of the currency concerned and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Registrar maintained by the Registrar. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date and subject as provided in paragraph (a) above, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial centre of the country of that currency or, in the case of euro, to a euro account or an account to which euro can be paid.

(c) *Payments in the United States*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other

similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, adverse tax consequence to the Issuer.

(d) *Payments subject to law etc*

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders, Receiptholders or Couponholders in respect of such payments.

(e) *Appointment of Agents*

The Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any holder. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of any Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer will at all times maintain (i) a Fiscal Agent, (ii) a Principal Paying Agent, (iii) a Registrar in relation to Registered Notes, (iv) a Transfer Agent in relation to Registered Notes having a specified office in a European city outside Belgium which, so long as the Notes are listed on the Luxembourg Stock Exchange, shall be Luxembourg, (v) a Calculation Agent where the Conditions so require one, (vi) a Paying Agent having a specified office in a European city outside Belgium which, so long as the Notes are listed on the Luxembourg Stock Exchange shall be Luxembourg and (vii) if the conclusions of the ECOFIN Council meeting of 26th-27th November 2000 are implemented, the Issuer and the Guarantor will ensure that they maintain a Paying Agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to any European Union Directive on the taxation of savings implementing such conclusions or any law implementing or complying with, or introduced to conform to, such Directive.

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

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 14.

(f) *Unmatured Coupons and Receipts and unexchanged Talons*

- (i) Unless the Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Notes should be surrendered for payment together with all unexpired Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of that amount of such missing unexpired Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) If the relevant Notes so provide, upon the due date for redemption of any Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Note which is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Note which provides that the relative Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unexpired Coupons and

any unexchanged Talon relating to it, and where any Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provisions of such indemnity as the Issuer may require.

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

(g) *Non-Business Days*

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “business day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “Business Day Jurisdictions” on the Note and:—

- (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
- (ii) (in the case of a payment in euro) on which the TARGET System is operating.

(h) *Talons*

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (but excluding any Coupons which may have become void pursuant to Condition 9).

8. Taxation

All payments of principal and interest in respect of the Notes, the Receipts and the Coupons by the Issuer or (if the Guarantees were called) the Guarantor will be made without deduction or withholding for, or on account of, any present or future taxes or duties of whatever nature imposed or levied by or on behalf of (in the case of FORTIS) the Cayman Islands or any political subdivision thereof or any authority or agency therein or thereof having power to tax or (in the case of FORTISL) Luxembourg or any political subdivision thereof or any authority or agency therein or thereof having the power to tax or (in the case of the Guarantor) the Kingdom of Belgium or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless such deduction or withholding is required by law. In such event, the Issuer or, as the case may be, the Guarantor will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders, Receiptholders or, as the case may be, the Couponholders after such deduction or withholding shall equal the respective amounts which would have been receivable under these Conditions in respect of the Notes, Receipts or, as the case may be, Coupons by the Noteholders, Receiptholders and (if applicable) the Couponholders in the absence of such deduction or withholding, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:—

- (i) presented for payment in Belgium; or
- (ii) to, or to a third party on behalf of, a holder who is able to avoid such withholding or deduction by placing such Note, Receipt or Coupon in safe custody with a Belgian bank and by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
- (iii) to, or to a third party on behalf of, a holder where such holder is liable to such taxes or duties in respect of such Note, Receipt or Coupon by reason of its having some connection with the Cayman Islands or the Kingdom of Belgium other than by reason only of the holding of such Note, Receipt or Coupon or the receipt of the relevant payment in respect thereof; or
- (iv) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on such thirtieth day; or

- (v) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26th-27th November, 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (vi) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the EU.

As used in these Conditions, "Relevant Date" in respect of any Note, Receipt or Coupon means the date on which payment in respect thereof first became due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given to the Noteholders in accordance with Condition 14 that, upon further presentation of the Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "principal" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) "interest" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) "principal" and/or "interest" shall be deemed to include any additional amounts which may be payable under this Condition.

9. Prescription

Claims against the Issuer and the Guarantor for payment in respect of the Notes, Guarantees, Receipts and Coupons (which, for this purpose shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect thereof.

10. Events of Default

- (a) *Notes other than Dated Notes Guaranteed on a Subordinated Basis and Perpetual Notes Guaranteed on a Subordinated Basis*

This Condition 10(a) is applicable in relation to all Notes other than Dated Notes Guaranteed on a Subordinated Basis and Perpetual Notes Guaranteed on a Subordinated Basis.

If any of the following events ("Events of Default") occurs and is continuing, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Redemption Amount of such Note together with accrued interest to the date of payment shall become immediately due and payable unless prior to the date that such written notice is received by the Fiscal Agent the Issuer or the Guarantor shall have cured or the Issuer or the Guarantor shall otherwise have made good all Events of Default in respect of the Notes:—

- (i) default in the payment of any interest due in respect of the Notes or any of them and such default continuing for a period of 12 days; or
- (ii) default by the Issuer or the Guarantor in the due performance or observance of any other obligation, condition or other provision under or in relation to the Notes or the Guarantees, as the case may be, if such default is not cured within 20 days after receipt by the Fiscal Agent of written notice thereof given by any Noteholder requiring the same to be remedied; or
- (iii) default by the Issuer or the Guarantor in the payment of the principal of, or premium or prepayment charge (if any) or interest on, any other loan indebtedness of or assumed or guaranteed by the Issuer or the Guarantor (which indebtedness in the case of the Guarantor has an aggregate principal amount of at least U.S.\$10,000,000 or its equivalent in any other currency or currencies), when and as the same shall become due and payable, if such default shall continue for more than the period of grace, if any, originally applicable thereto and the time for payment of such interest or principal has not been effectively extended, or in the event that any loan indebtedness of or assumed by the Issuer or the Guarantor (which indebtedness in the case of the Guarantor has an aggregate principal amount of at least U.S.\$10,000,000 or its equivalent in any other currency or currencies), shall have become repayable before the due date

thereof as a result of acceleration of maturity caused by the occurrence of an event of default thereunder; or

- (iv) the Issuer is dissolved or wound up or otherwise ceases to exist prior to the redemption of all outstanding Notes or the Guarantor is dissolved or wound up or otherwise ceases to exist prior to the redemption of all outstanding Notes, except as a result of a Permitted Reorganisation, or the Issuer ceases to be subsidiary of the Guarantor (save in the case of a substitution pursuant to Condition 11 (c) where the substitute is the Guarantor); or
- (v) the Issuer or the Guarantor becomes insolvent, is unable to pay its debts generally (or in the case of the Guarantor is in *cessation de paiements* (suspension of payments)) as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts or ceases or threatens to cease to carry on its business, or proposes or makes a general assignment or an arrangement or composition with or for the benefit of its creditors, or a moratorium is agreed or declared in respect of or affecting all or a material part of the indebtedness of the Issuer or the Guarantor, or if the Issuer or the Guarantor commences a voluntary case or other proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, consents to the entry of an order for relief in any involuntary case or other proceeding under any such law as to the appointment of or the taking possession by a trustee, receiver, liquidator, custodian, assignee, sequestrator or similar official of the Issuer or the Guarantor or of any substantial part of its property or as the winding up or liquidation of the Issuer, or if the Guarantor applies for a *concordat judiciaire/gerechtelijk akkoord* (composition with creditors), *liquidation/vereffening* (liquidation) or *faillite/faillissement* (bankruptcy) or any procedures having similar or equivalent effect shall have been initiated in respect of the Issuer or the Guarantor; or
- (vi) a court having jurisdiction in the premises enters a decree or order for relief in respect of the Issuer or the Guarantor in an involuntary case or other proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a trustee, receiver, liquidator, custodian, assignee, sequestrator or other similar official of the Issuer or the Guarantor or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and any such decree or order continues unstayed in effect for a period of 30 consecutive days; or
- (vii) it becomes unlawful for the Issuer or the Guarantor to perform any of their respective obligations under the Notes or the Guarantees, or any of their obligations ceases to be valid, binding or enforceable; or
- (viii) the Guarantees are not or are claimed by the Guarantor not to be in full force and effect in accordance with their terms.

In this Condition:

“Permitted Reorganisation” means an amalgamation, merger, consolidation, reorganisation or other similar arrangement entered into by the Guarantor under which:

- (a) the whole of the business, undertaking and assets of the Guarantor are transferred to and all the liabilities and obligations of the Guarantor are assumed by the new or surviving entity either:
 - (i) automatically by operation of applicable law; or
 - (ii) the new or surviving entity assumes all the obligations of the Guarantor under the terms of the Agency Agreement, the Notes and the Guarantees as fully as if it had been named in the Agency Agreement, the Notes and the Guarantees in place of the Guarantor; and, in either case,
- (b) the new or surviving entity will immediately after such amalgamation, merger, consolidation, reorganisation or other similar arrangement be subject to a European Union regulatory authority.

Any such notice by a Noteholder to the Fiscal Agent shall specify the serial number(s) of the Note(s) concerned.

- (b) *Dated Notes Guaranteed on a Subordinated Basis*

This Condition 10(b) is applicable in relation to Dated Notes Guaranteed on a Subordinated Basis.

Any holder of a Dated Note Guaranteed on a Subordinated Basis may, by notice to the Fiscal Agent and the Issuer, declare his Note to be due and payable, and such Note shall accordingly become immediately due and payable at its principal amount together with accrued interest to the date of repayment if an order is made or an effective resolution is passed for the bankruptcy (*faillissement/ faillite*), composition with creditors (*gerechtelijk akkoord/concordat judiciaire*) or liquidation (*vereffening/ liquidation*) of the Guarantor.

(c) *Perpetual Notes Guaranteed on a Subordinated Basis*

This Condition 10(c) is applicable in relation to Perpetual Notes Guaranteed on a Subordinated Basis.

- (i) Any holder of a Perpetual Note Guaranteed on a Subordinated Basis may, by notice to the Fiscal Agent and the Issuer, declare his Note to be due and payable, and such Note shall accordingly (subject to the provisions of Condition 3(d)) become immediately due and payable at its principal amount together with accrued interest to the date of repayment and any Arrears of Interest if an order is made or an effective resolution is passed for the bankruptcy (*faillissement/faillite*), composition with creditors (*gerechtelijk akkoord/concordat judiciaire*) or liquidation (*vereffening/ liquidation*) of the Guarantor.
- (ii) If the Issuer shall not make payment in respect of the Notes (in the case of any payment of principal) for a period of seven days or more after the due date for the same or (in the case of any payment of interest) for a period of 14 days or more after a Compulsory Interest Payment Date any Noteholder may institute proceedings in the Cayman Islands for the winding-up, dissolution or bankruptcy of the Issuer.
- (iii) A Noteholder may at its discretion institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Issuer under the Notes or the Coupons or the Receipts (if any) provided that the Issuer shall not by virtue of any such proceedings be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.
- (iv) No remedy against the Issuer, other than the institution of the proceedings referred to in sub-paragraphs (ii) and (iii) above or the proving or claiming in any winding-up of the Issuer, shall be available to the Noteholders or the Couponholders or the Receiptholders (if any) whether for the recovery of amounts owing in respect of the Notes or the Coupons or in respect of any breach by the Issuer of any other obligation, condition or provision binding on it under the Notes or the Coupons or the Receipts (if any).
- (v) In the event of an order being made or an effective resolution being passed for the winding-up, liquidation or bankruptcy of the Issuer; then immediately thereupon and without further formality the Guarantor shall become the principal debtor under the Notes and the Coupons and the Receipts (if any) in place of the Issuer and the Guarantees shall cease to be of any effect and the Noteholders and the Couponholders and the Receiptholders (if any) shall cease to have any rights or claims whatsoever against the Issuer; provided that:—
 - (a) the obligations of the Guarantor as principal debtor as aforesaid shall be subordinated to the same extent as its obligations under the Guarantees; and
 - (b) no Noteholder or Couponholder or Receiptholder shall, as a result of any change in principal debtor as aforesaid, be entitled to claim from the Issuer or the Guarantor any indemnification or payment in respect of any tax consequence of such change upon individual Noteholders or Couponholders or Receiptholders except to the extent provided for by Condition 8.

11. Meeting of Noteholders, Modifications and Substitution

(a) *Meetings of Noteholders*

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interest, including modification by Extraordinary Resolution of the Notes (including these Conditions in so far as the same may apply to such Notes). An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date

for payment of interest thereon, (ii) to reduce or cancel the principal amount or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating the Interest Amount in the respect thereof, (iv) if there is shown on the face of the Notes a Minimum Interest Rate and/or a Maximum Interest Rate, to reduce such Minimum Interest Rate and or a Maximum Interest Rate, (v) to change any method of calculating the Redemption Amount or, in the case of Zero Coupon Notes, to change the method of calculating the Amortised Face Amount, (vi) to change the currency or currencies of payment of the Notes, (vii) to cancel or change the provisions of any Guarantee, (viii) to take any steps which this Note specifies may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply or (ix) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, will only be binding if passed at a meeting of the Noteholders (or at any adjournment thereof) at which a special quorum (provided for in the Agency Agreement) is present.

These Conditions may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

(b) *Modification of Agency Agreement*

The Issuer and the Guarantor shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

(c) *Substitution*

The Issuer, or any previous substituted company, may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes, the Receipts, the Coupons and the Talons any company (the "Substitute") which is the Guarantor, or a subsidiary of the Guarantor, provided that no payment in respect of the Notes, the Receipts or the Coupons is at the relevant time overdue. The substitution shall be made by a deed poll (the "Deed Poll"), to be substantially in the form scheduled to the Agency Agreement as Schedule 8, and may take place only if (i) the Substitute shall, by means of the Deed Poll, agree to indemnify each Noteholder and Couponholder against any tax, duty, assessment or governmental charge which is imposed on it by (or by any authority in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation with respect to any Note, Receipt, Coupon or Talon and which would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution, (ii) where the Substitute is not the Guarantor, the obligations of the Substitute under the Deed Poll, the Notes, Receipts, Coupons and Talons shall be unconditionally and irrevocably guaranteed by the Guarantor by means of the Deed Poll, (iii) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll, the Notes, Receipts, Coupons and Talons represent valid, legally binding and enforceable obligations of the Substitute and, in the case of the Deed Poll (where the Substitute is not the Guarantor), of the Guarantor have been taken, fulfilled and done and are in full force and effect, (iv) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it, (v) legal opinions addressed to the Noteholders shall have been delivered to them (care of the Fiscal Agent) from a lawyer or firm of lawyers with a leading securities practice in each jurisdiction referred to in (i) above and in England as to the fulfilment of the preceding conditions of this paragraph (c) and the other matters specified in the Deed Poll and (vi) the Issuer shall have given at least 14 days' prior notice of such substitution to the Noteholders, stating that copies or, pending execution, the agreed text of all documents in relation to the substitution which are referred to above, or which might otherwise reasonably be regarded as material to Noteholders, will be available for inspection at the specified offices of each of the Paying Agents. References in Condition 10 to obligations under the Notes shall be deemed to include obligations under the Deed Poll, and, where the Deed Poll contains a guarantee, the events listed in Condition 10 shall be deemed to include that guarantee not being (or being claimed by the Guarantor not to be) in full force and effect.

12. Replacement of Notes, Receipts, Coupons and Talons

If a Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and stock exchange regulations, at the specified office of such Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to the Noteholders in accordance with Condition 14 (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Registered Notes), in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to “Notes” shall be construed accordingly.

14. Notices

Notices to holders of Registered Notes will be mailed to them at their respective addresses in the Register and be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes will be valid if (i) published in a leading daily newspaper having general circulation in the United Kingdom (which is expected to be the *Financial Times*) and (ii) in the case of Bearer Notes and Registered Notes which are listed on the Luxembourg Stock Exchange (so long as such Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require), in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or in the case of (i) and (ii), if such publication is not practicable, if published in a leading English language daily newspaper having general circulation in Europe and otherwise if given in compliance with the requirements of each stock exchange on which the Notes are listed. Notices, will, if published more than once, be deemed to have been given on the date of the first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

15. Governing Law and Jurisdiction

(a) Governing Law

The Notes, the Receipts, the Coupons, the Talons and the Guarantees to which Condition 3(b) applies are governed by, and shall be construed in accordance with, English law.

Guarantees to which Condition 3(c) applies and Guarantees to which Condition 3(d) applies are governed by, and shall be construed in accordance with, the laws of the Kingdom of Belgium.

(b) Jurisdiction

The Courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with any Notes, Receipts, Coupons, Talons or Guarantees and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons, Talons or Guarantees (“Proceedings”) may be brought in such courts. Each of the Issuer and the Guarantor irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of each of the holders of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) *Service of Process*

Each of the Issuers and the Guarantor irrevocably appoints Fortis Bank, London Branch, Bavaria House, 13/14 Appold Street, London EC2A 2DP to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer or the Guarantor). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, each of the Issuer and the Guarantor irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 14. Nothing shall affect the right to serve process in any manner permitted by law.

USE OF PROCEEDS

The net proceeds from the issue of the Notes will be lent by the relevant Issuer to the Guarantor, to be used for general corporate purposes by the Guarantor.

SUMMARY OF PROVISIONS RELATING TO GLOBAL NOTES

Each Series or Tranche, as the case may be, where the Notes issued in such Series or Tranche are initially in bearer form, will initially be represented by a temporary Global Note, in bearer form without Coupons, with the Guarantee of the Guarantor endorsed thereon, which will be deposited on behalf of the subscribers of the relevant Notes with a common depository (the “Common Depository”) for the Euroclear Operator and/or for Clearstream, Luxembourg and/or any other relevant clearing system, or as otherwise agreed, on or about the issue date of the relevant Notes. No interest will be payable in respect of a temporary Global Note except as provided below. Upon deposit of the temporary Global Note(s) with the Common Depository, the Euroclear Operator or Clearstream, Luxembourg or any other relevant clearing system will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

Each of the persons shown in the records of the Euroclear Operator or Clearstream, Luxembourg or any other relevant clearing system as the holder of a Note represented by a Global Note must look solely to the Euroclear Operator or Clearstream, Luxembourg (as the case may be) for his share of each payment made by the relevant Issuer to the bearer of such Global Note, subject to and in accordance with the respective rules and procedures of the Euroclear Operator, Clearstream, Luxembourg and any other relevant clearing system. Such persons shall have no claim directly against the relevant Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note and the obligations of the relevant Issuer will be discharged by payment to the bearer of such Global Note in respect of each amount so paid.

The temporary Global Notes and the permanent Global Notes contain provisions which apply to the Notes while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this document. The following is a summary of certain of those provisions:—

1. Exchange: Each temporary Global Note will be exchangeable in whole or in part for interests in a permanent Global Note or for Definitive Notes, in each case, with the Guarantee of the Guarantor endorsed thereon, on or after the first day following the expiry of 40 days after completion of the distribution of the relevant Tranche upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. Each permanent Global Note is exchangeable in whole or, in the case of Partly-paid Notes only, in part for definitive Notes by the holder giving notice to the Fiscal Agent, or by the relevant Issuer giving notice to the Fiscal Agent and the Noteholders, of its intention to exchange such permanent Global Note for definitive Notes as set out below.

On or after any Exchange Date (as defined below), the holder of a permanent Global Note may surrender such permanent Global Note to or to the order of the Fiscal Agent. In exchange for any permanent Global Note the relevant Issuer will deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated definitive Notes (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts which have not already been paid on the permanent Global Note and a Talon), with the Guarantee of the Guarantor endorsed thereon, security printed in accordance with any applicable legal and listing authority, stock exchange or quotation system requirements and in or substantially in the form set out in Schedule 2 to the Agency Agreement. On exchange of each permanent Global Note, the relevant Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant definitive Notes.

“Exchange Date” means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and on which the Euroclear Operator and Clearstream, Luxembourg and any other relevant clearing system are open for business.

2. Payments: No payment falling due more than 40 days after the issue of any Tranche represented by a temporary Global Note will be made on that temporary Global Note unless exchange for an interest in a permanent Global Note is improperly withheld or refused. Payments on any temporary Global Note during the period up to 40 days after the completion of the distribution of such Tranche will only be made against presentation of certification as to non-U.S. beneficial ownership as set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made

against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed in the appropriate schedule to each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes.

3. Notices: So long as Notes of any Series are represented by a Global Note notices may be given by delivery of the relevant notice to the Euroclear Operator or Clearstream, Luxembourg or any other relevant clearing system for communication by them to entitled account holders in substitution for publication in a daily newspaper with general circulation in the United Kingdom, but publication in the *Luxemburger Wort* will be maintained for so long as the Notes of the Series in respect of which the notice is to be published are listed on the Luxembourg Stock Exchange.

4. Prescription: Claims against any Issuer in respect of principal and interest (as each is defined in the Conditions) on Notes while the Notes of that Series are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

5. Meetings: The holder of a Global Note will be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, as having one vote in respect of each minimum Denomination of Notes for which such permanent Global Note may be exchanged.

6. Purchase and Cancellation: Cancellation of any Note surrendered for cancellation by any Issuer following its purchase will be effected by reduction in the principal amount of the relevant permanent Global Note.

7. Issuer's Option: No drawing of Notes will be required under Condition 6(e) in the event that any Issuer exercises any option relating to those Notes while all such Notes which are outstanding are represented by a permanent Global Note. In the event that any option of such Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with the Euroclear Operator and Clearstream, Luxembourg in respect of the Notes will be governed by the standard procedures of the Euroclear Operator and Clearstream, Luxembourg.

8. Noteholders' Option: Any Noteholders' option may be exercised by the holder of a permanent Global Note giving notice to the Fiscal Agent of the principal amount of Notes in respect of which the option is exercised and presenting such permanent Global Note for endorsement of exercise within the time limits specified in the Conditions.

9. Default: As more fully described in the Global Notes, each Global Note shall become void in whole or in part on the seventh day after notice is served by the person or persons shown in the records of the Euroclear Operator or Clearstream, Luxembourg or any other relevant clearing system as the holder or holders of the Notes in respect of which notice is served (the "Relevant Accountholder") upon the occurrence of an event of default. In such circumstances each Relevant Accountholder shall acquire, under a deed of covenant dated 11th December, 2001 executed by the Issuers and the Guarantor (the "Deed of Covenant") against the Issuers and the Guarantor all rights which the Relevant Accountholder in question would have had if, immediately before the Global Note became void, it had been holder of definitive Notes issued on the issue date of the Global Note in an aggregate principal amount equal to the principal amount of the Notes in respect of which such Relevant Accountholder is shown in the records of the Euroclear Operator or Clearstream, Luxembourg or any other relevant clearing system.

10. Partly-paid Notes: The provisions relating to Partly-paid Notes will be contained in the Global Notes. For so long as any instalments of the subscription moneys due from the holder of Partly-paid Notes are due, no interest in a Global Note representing such Notes may be exchanged for an interest in a permanent Global Note or for Definitive Notes (as the case may be). In the event that any Noteholder fails to pay any instalment due on any Partly-paid Notes within the time specified, the relevant Issuer will be entitled to forfeit such Notes and shall have no further obligation to their holder in respect of them.

FORTIS IFICO

FORTIS IFICO ("FORTISI"), a wholly owned subsidiary of the Guarantor, was registered as a company limited by shares for an unlimited duration under the laws of the Cayman Islands on 14th June, 1988 pursuant to the Companies Law (Cap. 22). It was initially named ASLK-CGER IFICO and changed its name on 31st August, 1999. Its registered principal office is at the offices of Fortis Fund Services (Cayman) Limited (formerly MeesPierson (Cayman) Limited), P.O. Box 2003 GT, Grand Pavilion Commercial Centre, 802 West Bay Road, Georgetown, Grand Cayman, Cayman Islands. Its authorised share capital as at 30th September, 2001 is US\$900,000 divided into 900,000 registered ordinary shares of US\$1.00 par value each, of which 100,000 shares have been issued and are fully paid up. FORTISI is registered with the Registrar of Companies of the Cayman Islands pursuant to the Companies Law (2001 Second Revision) as an exempted company and, as such, has obtained an undertaking from the Governor-in-Council of the Cayman Islands that, for a period of twenty years from the date of such undertaking, no law which is enacted in the Cayman Islands imposing any tax to be levied on profits or income or gains or appreciation shall apply to FORTISI or its operations and that no such tax or any tax in the nature of estate duty or inheritance tax shall be payable on the shares, debentures or other obligations of the FORTISI. At present, the Cayman Islands have no such taxes.

FORTISI's principal object is borrowing funds and lending such funds to the Guarantor.

The Board of Directors of FORTISI is responsible for the management of its operations. The members of the Board of Directors are:

John Benbow	Benbow Anderson;
Roger Hanson	Managing Director, Fortis Fund Services (Cayman) Limited (formerly MeesPierson (Cayman) Limited);
Gordon Shaw	Manager, Fortis Fund Services (Cayman) Limited (formerly MeesPierson (Cayman) Limited);
Matthijs van der Want	Managing Director of the Guarantor; and
Christian Pithsy	Managing Director of the Guarantor.

No member of the Board of Directors works on a full-time basis for FORTISI.

Save for the issue of the long term debt listed in the capitalisation table and certain matters incidental thereto and incidental to the issue of the Notes and the on-lending arrangements to the Guarantor, FORTISI has not conducted any other material business. The financial periods of FORTISI end on 31st December in each year. FORTISI has no subsidiaries and consequentially does not publish consolidated accounts.

CAPITALISATION AND INDEBTEDNESS OF FORTIS IFICO

AS AT 30TH SEPTEMBER, 2001

The capitalisation and indebtedness of FORTIS IFICO (extracted from FORTIS IFICO's unaudited accounts) as at 30th September, 2001 is as set out below:

		(Millions of U.S.\$)
		Rounded
Notes Payable:		
DEM	100,000,000 Guaranteed Floating Rate Bonds due 2007 ⁽³⁾	46.686
LUF	1,000,000,000 9 per cent. Guaranteed Public Issue due 2002 ⁽²⁾	22.635
LUF	1,500,000,000 8½ per cent. Guaranteed Public Issue due 2002 ⁽²⁾	33.953
JPY	15,000,000,000 5.10 per cent. Guaranteed Undated Variable Notes ⁽¹⁾	125.633
JPY	3,000,000,000 4.47 per cent. Guaranteed Loan due 2004 ⁽¹⁾	25.127
JPY	5,000,000,000 4.12 per cent. Subordinated Perpetual Euro Medium Term Notes ⁽¹⁾	41.878
NLG	50,000,000 Step-Up Undated Loan, 10 year fixed rate/step-up structure ⁽⁴⁾	20.717
NLG	20,000,000 Undated Subordinated Loan, 10 year fixed rate/step-up structure ⁽⁴⁾	8.287
NLG	50,444,000 Subordinated Perpetual Step-Up floating rate Notes ⁽⁴⁾	20.901
NLG	15,000,000 Undated Subordinated Loan, 10 year fixed rate/step-up Structure ⁽⁴⁾	6.215
NLG	10,000,000 Undated Step-Up Loan, guaranteed on a subordinated basis ⁽⁴⁾	4.143
US\$	35,040,000 Subordinated Perpetual Floating Rate Notes	34.396
JPY	5,000,000,000 Subordinated Perpetual 20 Year Fixed Rate/Step-Up Notes ⁽¹⁾	41.878
LUF	2,000,000,000 5.125 per cent. Guaranteed Medium Term Notes due 2005 ⁽²⁾	45.355
US\$	100,000,000 Subordinated Floating Rate Notes due 2010	99.619
EUR	6,000,240 9.50 per cent. Guaranteed Knock-In Reverse Exchangeable Notes Exchangeable into Deutsche Telekom AG Shares due 2002 ⁽⁶⁾	4.897
EUR	9,998,880 9.50 per cent. Guaranteed Knock-In Reverse Exchangeable Notes Exchangeable into France Telecom SA Shares due 2002 ⁽⁶⁾	8.251
EUR	3,000,248 8 per cent. Guaranteed Medium Term Notes, Knock-In Reverse Exchangeable & Index Linked Notes Exchangeable into Société Générale Shares and Linked to the Dow Jones Eurostoxx 50 Index due 2002 ⁽⁶⁾	2.630
JPY	35,000,000,000 0.83 per cent. Semi-annual Guaranteed Medium Term Notes due 2003 ⁽¹⁾	293.145
EUR	10,000,000 Zero Coupon Notes Guaranteed on a Subordinated basis due 2012 ⁽⁶⁾	4.292
EUR	3,000,000 Zero Coupon, Guaranteed Dow Jones EURO STOXX 50 SM index linked Notes due 2002 ⁽⁶⁾	2.630
EUR	20,000,000 Zero Coupon Notes Guaranteed on a Subordinated basis due 2012 ⁽⁶⁾	8.716
US\$	20,000,000 Zero Coupon, linked to Lehman US High Yield Index, due 2001	20.000
EUR	55,500,000 floating rate Notes due 2010 ⁽⁶⁾	45.655
EUR	100,000,000 floating rate Notes due 2010 ⁽⁶⁾	91.127
EUR	3,000,256 11.5% Guaranteed Knock-In Reverse Exchangeable Notes, Exchangeable into Siemens (GR) Shares due 2003 ⁽⁶⁾	2.630
EUR	30,000,000 6.45% Subordinated Notes due 2031 ⁽⁶⁾	27.393
EUR	5,000,000 zero coupon, Guaranteed Euronext 100 Index Linked Notes due 2010 ⁽⁶⁾	4.429
EUR	22,500,000 5.55% Guaranteed Credit Linked Notes due 2006 ⁽⁶⁾	20.545
EUR	10,000,000 5.58% Guaranteed Credit Linked Notes due 2006 ⁽⁶⁾	9.131
EUR	3,000,000 Guaranteed Credit Linked Notes due 2006 ⁽⁶⁾	2.739
Total Notes Payable (exact figure)		1,125.633
Commercial Paper:		
USD	24,000,000.00 2.52% 28-Sep-01-27-Dec-01	23.850
USD	10,000,000.00 2.52% 27-Sep-01-27-Dec-01	9.937
GBP	30,000,000.00 4.52% 25-Sep-01-25-Oct-01 ⁽⁷⁾	43.877
EUR	20,000,000.00 3.65% 25-Sep-01-26-Nov-01 ⁽⁶⁾	18.148
USD	14,000,000.00 2.51% 24-Sep-01-24-Dec-01	13.912
CAD	6,000,000.00 3.25% 24-Sep-01-26-Nov-01 ⁽⁸⁾	3.778
EUR	25,000,000.00 3.64% 24-Sep-01-21-Dec-01 ⁽⁶⁾	22.626
GBP	8,000,000.00 4.52% 24-Sep-01-24-Oct-01 ⁽⁷⁾	11.701
USD	24,000,000.00 3.25% 18-Sep-01-09-Nov-01	23.888
EUR	5,000,000.00 4.21% 17-Sep-01-17-Oct-01 ⁽⁶⁾	4.550
GBP	5,000,000.00 4.86% 17-Sep-01-17-Oct-01 ⁽⁷⁾	7.311
USD	26,000,000.00 3.39% 14-Sep-01-Oct-01	25.958
EUR	10,000,000.00 4.25% 13-Sep-01-15-Oct-01 ⁽⁶⁾	9.097
USD	22,000,000.00 3.36% 12-Sep-01-06-Nov-01	21.888
EUR	100,000,000.00 4.225% 11-Sep-01-11-Dec-01 ⁽⁶⁾	90.345
CAD	10,000,000.00 3.89% 11-Sep-01-13-Nov-01 ⁽⁸⁾	6.290
EUR	5,000,000.00 4.26% 11-Sep-01-11-Oct-01 ⁽⁶⁾	4.549
GBP	1,500,000.00 4.76% 10-Sep-01-10-Oct-01 ⁽⁷⁾	2.193

(Millions of
U.S.\$)

				Rounded
EUR	5,000,000.00	4.22%	11-Sep-01-11-Dec-01 ⁽⁶⁾	4.517
USD	12,000,000.00	3.475%	10-Sep-01-24-Oct-01	11.949
GBP	30,000,000.00	4.79%	10-Sep-01-10-Oct-01 ⁽⁷⁾	43.867
GBP	3,000,000.00	4.83%	07-Sep-01-07-Dec-01 ⁽⁷⁾	4.352
EUR	25,000,000.00	4.26%	06-Sep-01-08-Oct-01 ⁽⁶⁾	22.741
EUR	18,000,000.00	4.26%	10-Sep-01-10-Oct-01 ⁽⁶⁾	16.378
USD	100,000,000.00	3.47%	07-Sep-01-07-Mar-02	98.285
EUR	7,000,000.00	4.24%	06-Sep-01-06-Nov-01 ⁽⁶⁾	6.346
EUR	5,000,000.00	4.22%	06-Sep-01-06-Dec-01 ⁽⁶⁾	4.517
GBP	5,000,000.00	4.82%	06-Sep-01-07-Mar-02 ⁽⁷⁾	7.168
USD	5,000,000.00	3.49%	06-Sep-01-03-Oct-01	4.987
USD	10,000,000.00	3.46%	05-Sep-01-19-Oct-01	9.958
EUR	7,000,000.00	4.26%	04-Sep-01-04-Oct-01 ⁽⁶⁾	6.369
EUR	5,000,000.00	4.26%	04-Sep-01-04-Oct-01 ⁽⁶⁾	4.549
EUR	20,000,000.00	4.21%	03-Sep-01-03-Dec-01 ⁽⁶⁾	18.070
USD	20,000,000.00	3.465%	04-Sep-01-29-Oct-01	19.895
USD	50,000,000.00	3.46%	31-Aug-01-31-Oct-01	49.709
USD	11,100,000.00	3.48%	31-Aug-01-12-Oct-01	11.055
USD	11,200,000.00	3.47%	29-Aug-01-11-Oct-01	11.154
USD	10,500,000.00	3.44%	28-Aug-01-28-Nov-01	10.408
EUR	3,000,000.00	4.25%	28-Aug-01-26-Nov-01 ⁽⁶⁾	2.711
USD	15,000,000.00	3.47%	27-Aug-01-12-Oct-01	14.934
USD	5,000,000.00	3.43%	24-Aug-01-26-Nov-01	4.956
USD	30,500,000.00	3.465%	24-Aug-01-09-Oct-01	30.366
USD	17,000,000.00	3.46%	24-Aug-01-24-Oct-01	16.901
USD	16,000,000.00	3.465%	21-Aug-01-05-Oct-01	15.934
GBP	10,000,000.00	4.88%	22-Aug-01-22-Nov-01 ⁽⁷⁾	14.502
CAD	7,000,000.00	4.01%	14-Aug-01-15-Oct-01 ⁽⁸⁾	4.403
GBP	10,000,000.00	4.84%	13-Aug-01-13-Nov-01 ⁽⁷⁾	14.503
EUR	10,000,000.00	4.37%	13-Aug-01-13-Nov-01 ⁽⁶⁾	9.030
GBP	10,000,000.00	4.89%	10-Aug-01-10-Oct-01 ⁽⁷⁾	14.561
GBP	1,500,000.00	4.89%	10-Aug-01-10-Oct-01 ⁽⁷⁾	2.184
GBP	17,000,000.00	4.90%	10-Aug-01-13-Nov-01 ⁽⁷⁾	24.642
EUR	15,000,000.00	4.43%	09-Aug-01-09-Oct-01 ⁽⁶⁾	13.594
HKD	20,000,000.00	4.0625%	20-Jul-01-17-Jul-02 ⁽¹⁰⁾	2.465
CHF	1,700,000.00	3.14%	18-Jul-01-18-Oct-01 ⁽⁹⁾	1.043
USD	4,000,000.00	3.88%	13-Jul-01-09-Jul-02	3.850
USD	10,000,000.00	3.75%	12-Jul-01-14-Jan-02	9.810
EUR	50,000,000.00	4.43%	11-Jul-01-11-Oct-01 ⁽⁶⁾	45.144
USD	20,000,000.00	3.81%	10-Jul-01-10-Jan-02	19.618
CHF	3,000,000.00	3.10%	10-Jul-01-12-Nov-01 ⁽⁹⁾	1.836
CHF	3,000,000.00	3.09%	10-Jul-01-10-Dec-01 ⁽⁹⁾	1.832
USD	10,000,000.00	3.75%	09-Jul-01-26-Nov-01	9.856
USD	10,000,000.00	3.75%	05-Jul-01-05-Oct-01	9.905
EUR	72,000,000.00	4.32%	05-Jul-01-07-Jan-02 ⁽⁶⁾	64.308
GBP	5,000,000.00	5.20%	03-Jul-01-03-Oct-01 ⁽⁷⁾	7.245
USD	8,000,000.00	3.76%	02-Jul-01-02-Oct-01	7.924
USD	30,000,000.00	3.74%	02-Jul-01-02-Oct-01	29.716
EUR	6,000,000.00	4.35%	02-Jul-01-02-Oct-01 ⁽⁶⁾	5.418
EUR	50,000,000.00	4.24%	26-Jun-01-20-Dec-01 ⁽⁶⁾	44.723
GBP	1,000,000.00	5.56%	25-Jun-01-21-Jun-02 ⁽⁷⁾	1.391
GBP	50,000,000.00	5.31%	15-Jun-01-21-Nov-01 ⁽⁷⁾	71.741
USD	20,000,000.00	4.04%	15-May-01-15-Nov-01	19.595
EUR	100,000,000.00	4.445%	15-May-01-15-Oct-01 ⁽⁶⁾	89.617
USD	19,000,000.00	3.95%	11-May-01-13-Nov-01	18.620
USD	250,000,000.00	4.09%	11-May-01-09-May-02	240.098
EUR	10,000,000.00	4.68%	04-May-01-03-May-02 ⁽⁶⁾	8.718
EUR	10,000,000.00	4.57%	23-Apr-01-22-Apr-02 ⁽⁶⁾	8.728
EUR	10,000,000.00	4.59%	20-Apr-01-19-Apr-02 ⁽⁶⁾	8.726
GBP	30,000,000.00	5.275%	20-Apr-01-22-Oct-01 ⁽⁷⁾	42.893
USD	5,000,000.01	4.64%	19-Apr-01-18-Apr-02	4.776
GBP	10,000,000.00	5.06%	12-Apr-01-11-Apr-02 ⁽⁷⁾	13.975
GBP	10,000,000.00	5.27%	04-Apr-01-04-Oct-01 ⁽⁷⁾	14.302
USD	3,000,000.00	4.51%	29-Mar-01-28-Mar-02	2.869
EUR	20,000,000.00	4.21%	29-Mar-01-28-Mar-02 ⁽⁶⁾	17.516

	(Millions of U.S.\$)
	Rounded
EUR 17,500,000.00 4.51% 15-Mar-01-17-Dec-01 ⁽⁶⁾	15.443
USD 10,000,000.00 4.80% 13-Mar-01-13-Mar-02	9.536
USD 10,000,000.00 5.01% 27-Feb-01-27-Feb-02	9.517
USD 11,000,000.00 5.14% 23-Feb-01-22-Feb-02	10.457
CHF 9,000,000.00 3.21% 02-Feb-01-28-Dec-01 ⁽⁹⁾	5.409
USD 8,000,000.00 5.07% 02-Feb-01-01-Feb-02	7.610
EUR 8,000,000.00 4.82% 19-Dec-00-18-Dec-01 ⁽⁶⁾	6.965
GBP 5,000,000.00 5.80% 15-Dec-00-14-Dec-01 ⁽⁷⁾	6.939
USD 5,000,000.00 6.59% 24-Nov-00-23-Nov-01	4.688
Total Commercial Paper	1,798.215
Shareholders' Equity:	
Paid-up capital ⁽¹¹⁾⁽¹²⁾	0.100
Retained earnings ⁽¹¹⁾	3.318
Total Shareholders' Equity	3.418
Total Capitalisation ⁽¹³⁾	2,927.266

Notes:

- (1) Converted at the rate of U.S.\$ 1 = JPY 119.39547 which was the approximate rate prevailing on 30th September, 2001.
- (2) Converted at the rate of U.S.\$ 1 = LUF 44.17906 which was the approximate rate prevailing on 30th September, 2001.
- (3) Converted at the rate of U.S.\$ 1 = DEM 2.14197 which was the approximate rate prevailing on 30th September, 2001.
- (4) Converted at the rate of U.S.\$ 1 = NLG 2.41344 which was the approximate rate prevailing on 30th September, 2001.
- (5) Converted at the rate of U.S.\$ 1 = DKK 8.14445 which was the approximate rate prevailing on 30th September, 2001.
- (6) Converted at the rate of U.S.\$ 1 = EUR 1.09517 which was the approximate rate prevailing on 30th September, 2001.
- (7) Converted at the rate of U.S.\$ 1 = GBP 0.6812 which was the approximate rate prevailing on 30th September, 2001.
- (8) Converted at the rate of U.S.\$ 1 = CAD 1.57902 which was the approximate rate prevailing on 30th September, 2001.
- (9) Converted at the rate of U.S.\$ 1 = CHF 1.61658 which was the approximate rate prevailing 30th September, 2001.
- (10) Converted at the rate of U.S.\$ 1 = HKD 7.79947 which was the approximate rate prevailing on 30th September, 2001.
- (11) As at 30th September, 2001.
- (12) As at the date of this Offering Circular, the fully paid up capital amounted to U.S.\$ 100,000.
- (13) Since 30th September, 2001 the following new issues were made by FORTIS IFICO:

Commercial Paper:

USD	15,000,000.00	2.28%	due 26-Nov-01
CHF	10,000,000.00	2.10%	due 26-Nov-01
EUR	100,000,000.00	3.67%	due 26-Nov-01
EUR	40,000,000.00	3.67%	due 26-Nov-01
CHF	25,000,000.00	2.15%	due 22-Nov-01
EUR	8,000,000.00	3.72%	due 19-Nov-01
GBP	50,000,000.00	4.39%	due 15-Nov-01
GBP	21,000,000.00	4.39%	due 15-Nov-01
EUR	10,000,000.00	3.72%	due 15-Nov-01
GBP	2,500,000.00	4.35%	due 12-Nov-01
EUR	50,000,000.01	3.56%	due 11-Dec-01
GBP	7,500,000.00	4.35%	due 11-Jan-02
EUR	15,000,000.00	3.53%	due 10-Dec-01
EUR	80,000,000.00	3.52%	due 09-Jan-02
EUR	60,000,000.00	3.53%	due 06-Dec-01
GBP	20,000,000.00	4.51%	due 05-Nov-01
CHF	39,000,000.00	2.14%	due 16-Nov-01
EUR	17,000,000.00	3.67%	due 01-Nov-01
USD	5,000,000.00	2.51%	due 27-Dec-01

Notes Payable:

EUR	35,000,000	zero coupon Notes due 10-Jun-02
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SELECTED FINANCIAL INFORMATION OF FORTIS IFICO

	1997 (U.S.\$)	31st December, 1998 (U.S.\$)	1999 (U.S.\$)	2000 (U.S.\$)
BALANCE SHEET				
Assets				
Bank balances	3,832,499	4,088,699	3,969,856	3,086,206
Interest receivable	53,189,896	42,765,289	20,122,821	31,302,732
Other receivables and prepayments	21,315	5,834	6,908	16,959
Loans to parent company	2,570,150,687	1,940,693,666	1,305,464,129	2,849,823,581
<i>Total assets</i>	<i>2,627,194,397</i>	<i>1,987,553,488</i>	<i>1,329,563,714</i>	<i>2,884,229,478</i>
Liabilities and shareholder's equity				
Liabilities				
Accounts payable and accrued expenses	30,983	62,799	80,677	67,065
Interest payable	53,089,734	42,664,840	20,070,416	31,291,039
Notes payable	2,570,700,054	1,940,884,870	1,305,578,050	2,849,353,234
<i>Total liabilities</i>	<i>2,623,820,771</i>	<i>1,983,612,509</i>	<i>1,325,729,143</i>	<i>2,880,711,338</i>
Shareholder's equity				
Share capital	100,000	100,000	100,000	100,000
Retained earnings	3,273,626	3,840,979	3,734,571	3,418,140
<i>Total shareholders' equity</i>	<i>3,373,626</i>	<i>3,940,979</i>	<i>3,834,571</i>	<i>3,518,140</i>
<i>Total liabilities and shareholders' equity</i>	<i>2,627,194,397</i>	<i>1,987,553,488</i>	<i>1,329,563,714</i>	<i>2,884,229,478</i>
STATEMENT OF INCOME AND RETAINED EARNINGS				
Interest income				
Interest on loans to parent company	177,200,772	151,884,952	88,573,296	103,512,716
Interest on notes payable	(176,456,875)	(151,207,941)	(88,150,805)	(103,320,377)
<i>Net interest income</i>	<i>743,897</i>	<i>677,011</i>	<i>422,491</i>	<i>192,339</i>
Other income				
Exchange gain	0	124,027	0	—
Premium on redemption of loans	15,595,328	0	0	—
<i>Total other income</i>	<i>15,595,328</i>	<i>124,027</i>	<i>0</i>	<i>—</i>
Other expenses				
Premium on redemption of notes payable	15,595,328	0	0	—
Exchange loss	141,664	0	284,045	128,570
Note issue and administration expenses	92,894	233,685	244,854	380,200
<i>Total other expenses</i>	<i>15,829,886</i>	<i>233,685</i>	<i>528,899</i>	<i>508,770</i>
Net income for year	509,339	567,353	(106,408)	(316,431)
Retained earnings at beginning of year	2,764,287	3,273,626	3,840,979	3,734,571
<i>Retained earnings at end of year</i>	<i>3,273,626</i>	<i>3,840,979</i>	<i>3,734,571</i>	<i>3,418,140</i>

The above is extracted from, and should be read in conjunction with, the audited financial statements of the Company for the years ended 31st December, 1997, 31st December, 1998 and 31st December, 2000 and the unaudited financial statements of the Company for the years ended 31st December, 1999 and the Notes thereto are herein incorporated by reference.

FORTIS IFICO has no subsidiaries and therefore does not publish consolidated financial statements.

FORTIS LUXEMBOURG FINANCE S.A.

General Information

Fortis Luxembourg Finance S.A. (the “Company”) was incorporated in Luxembourg on 24th September, 1986 for a limited duration of thirty years in the form of a “Société Anonyme” and its registered number is B 24784. Until 12th November, 2001, the legal name of Fortis Luxembourg Finance S.A. was “Genfinance Luxembourg S.A.” The duration of the Company is now unlimited. According to Luxembourg Act of 12th December, 1998, the share capital of the Company has been converted to Euro on 20th July, 2001.

The Articles of Association of the Company have been amended several times, most recently by notarial deed in Luxembourg on 12th November, 2001.

The Articles of Association were published in the “Mémorial, Recueil Spécial des Sociétés et Associations” on 29th November, 1986 (C Nr332) and amendments thereto were published in the “Mémorial, Recueil Spécial des Sociétés et Associations” on 29th September, 1987 (C Nr 241), on 30th December, 1987 (C Nr 385), on 19th March, 1988 (C Nr 71), on 26th May, 1988 (C Nr 140), on 28th August, 1989 (C Nr 236), on 13th June, 1990 (C Nr 194), on 10th January, 1991 (C Nr 9), on 15th June, 1992 (C Nr 258) and on 19th July, 1996 (C Nr 346) as well as by the special resolution changing the name to Fortis Luxembourg Finance S.A. dated 12th November, 2001.

The Company’s registered office is at 14, rue Aldringen, Luxembourg.

The Company’s object is to grant loans to the companies which are members of the Fortis Group (as defined below). For that purpose the Company may issue bonds or similar securities, raise loans, with or without a guarantee and in general have recourse to any sources of finance.

The Company’s issued and authorised share capital at 30th September, 2001 is EUR 500,000 represented by 20,000 ordinary shares with a nominal value of EUR 25 each. The Company has no other classes of shares.

Fortis Bank (as defined below) holds 99.999 per cent. of the Company’s shares.

The Articles of Association of the Company are filed with the Chief Registrar of the District Court of Luxembourg (*Greffier en Chef du Tribunal d’Arrondissement de et à Luxembourg*) and on written request a copy may be made available to any interested person.

Fiscal year

The Company’s fiscal year starts on 1st January and ends on 31st December.

Board of Managing Directors and Directors

As at the date of this Offering Circular, the Board of Managing Directors was comprised of the following:

Bas Schreuders	Director of BGL-MeesPierson Trust (Luxembourg) S.A.
Edward Bruin	Director Commercial Relations and Fiscal Affairs of BGL-MeesPierson Trust
Jean Thill	Treasury Manager of Banque Générale du Luxembourg S.A.
Matthijs van der Want	Managing Director of the Guarantor
Christian Pithsy	Managing Director of the Guarantor.

Auditor

The annual financial statements of the Company for the year ended 31st December, 1998, have been audited by Ernst & Young, Réviseurs d’ Entreprises S.C.C., Brussels, represented by Pierre Anciaux, Partner. The financial statements of the Company for the two years ending 31st December, 1999 and 31st December, 2000 have been audited by Ernst & Young Société Anonyme, BP 780 L-2017 Luxembourg.

CAPITALISATION AND INDEBTEDNESS OF FORTIS LUXEMBOURG FINANCE S.A.

AS AT 30TH SEPTEMBER, 2001

The capitalisation and indebtedness of Fortis Luxembourg Finance S.A. (extracted from Fortis Luxembourg Finance S.A.'s unaudited accounts) as at 30th September, 2001, is as set out below:

				As at 30th September, 2001 (In thousands of LUF)
Shareholders' Equity				
Share capital				20,000
Legal reserve				2,000
Retained earnings				233,900
				255,900
Long Term Debt				
USD	25,000,000	FRN	1991-undated ⁽¹⁾⁽³⁾⁽⁷⁾⁽¹⁰⁾	1,104,477
DEM	50,000,000	FRN	1992-undated ⁽¹⁾⁽³⁾⁽⁷⁾⁽¹⁰⁾	1,031,273
LUF	1,500,000,000	7 ³ / ₈ %	1993/2003 ⁽¹⁾⁽³⁾	1,500,000
LUF	1,000,000,000	7 ¹ / ₄ %	1994/2002 ⁽¹⁾⁽³⁾	1,000,000
USD	22,330,000	FRN	1995-undated ⁽¹⁾⁽²⁾⁽³⁾⁽¹⁰⁾	986,518
USD	200,000,000	FRN	1995-undated ⁽¹⁾⁽²⁾⁽³⁾⁽¹⁰⁾	8,835,812
LUF	4,000,000,000	7 ³ / ₄ %	1995/2000 9% 2000/2003 ⁽¹⁾⁽⁴⁾⁽¹²⁾	4,000,000
LUF	2,000,000,000	7 ³ / ₈ %	1995/2001 9% 2001/2004 ⁽¹⁾⁽⁴⁾⁽¹²⁾	2,000,000
LUF	2,000,000,000	6 ¹ / ₂ %	1995/2000 8 ¹ / ₄ % 2000/2003 ⁽¹⁾⁽⁴⁾⁽¹²⁾	2,000,000
LUF	2,000,000,000	7 ¹ / ₄ %	1995/2005 ⁽¹⁾⁽⁴⁾	2,000,000
GBP	100,000,000	9%	1995-undated ⁽¹⁾⁽²⁾⁽¹⁰⁾⁽¹¹⁾	6,485,514
LUF	5,000,000,000	6 ¹ / ₂ %	1995/2001 7 ¹ / ₂ % 2001/2004 ⁽¹⁾⁽⁴⁾⁽¹²⁾	5,000,000
LUF	3,000,000,000	5%	1996/1999 7% 1999/2002 9% 2002/2005 ⁽¹⁾⁽⁴⁾⁽¹²⁾	3,000,000
LUF	4,000,000,000	5 ¹ / ₂ %	1996/2000 7% 2000/2003 9% 2003/2006 ⁽¹⁾⁽⁴⁾⁽¹²⁾	4,000,000
LUF	4,000,000,000	5 ¹ / ₈ %	1996/2000 8 ¹ / ₈ % 2000/2004 ⁽¹⁾⁽⁴⁾⁽¹²⁾	4,000,000
LUF	2,000,000,000	0%	1996/2003 with klik options BEL-20 ⁽¹⁾⁽⁴⁾	2,000,000
LUF	3,000,000,000	4 ¹ / ₄ %	1996/1999 6% 1999/2002 8% 2002/2005 ⁽¹⁾⁽⁴⁾⁽¹²⁾	3,000,000
LUF	3,000,000,000	6%	1997/2007 ⁽¹⁾⁽³⁾	3,000,000
DKK	600,000,000	7%	1997/2006 ⁽¹⁾⁽³⁾⁽¹⁰⁾	3,254,661
LUF	3,700,000,000	5%	1997/2001 7 ¹ / ₂ % 2001/2005 ⁽¹⁾⁽³⁾⁽¹²⁾	3,700,000
LUF	3,000,000,000	5 ¹ / ₄ %	1997/2002 7 ¹ / ₄ % 2002/2007 ⁽¹⁾⁽³⁾⁽¹²⁾	3,000,000
LUF	2,000,000,000	6 ¹ / ₈ %	1997/2007 ⁽¹⁾⁽³⁾	2,000,000
NLG	150,000,000	5 ¹ / ₈ %	1998/2005 ⁽¹⁾⁽³⁾⁽¹⁰⁾	2,745,817
LUF	2,000,000,000	4 ¹ / ₂ %	1998/2003 6.375% 2003/2008 ⁽¹⁾⁽³⁾⁽¹²⁾	2,000,000
LUF	2,000,000,000	4 ¹ / ₄ %	1998/2003 6 ¹ / ₄ % 2003/2008 ⁽¹⁾⁽³⁾⁽¹²⁾	2,000,000
DKK	400,000,000	5%	1998/2003 6% 2003/2008 ⁽¹⁾⁽³⁾⁽¹⁰⁾⁽¹²⁾	2,162,774
DKK	600,000,000	5 ¹ / ₈ %	1999/2007 ⁽¹⁾⁽³⁾⁽¹⁰⁾	3,254,661
EUR	100,000,000	5 ¹ / ₈ %	1999/2009 ⁽¹⁾⁽³⁾⁽¹⁰⁾	4,033,990
EUR	75,000,000	5.625%	1999/2009 ⁽¹⁾⁽³⁾⁽¹⁰⁾	3,025,493
EUR	100,000,000	6%	1999/2009 ⁽¹⁾⁽³⁾⁽¹⁰⁾	4,033,990
EUR	150,000,000	6 ¹ / ₈ %	1999/2009 ⁽¹⁾⁽³⁾⁽⁹⁾⁽¹⁰⁾	6,050,986
				96,212,966
Total capitalisation ⁽¹³⁾⁽¹⁴⁾⁽¹⁵⁾				96,468,866

- (1) Redeemable early at 100% in the event of a change in tax regulations.
- (2) Redeemable early at 100% from February 2000 onwards.
- (3) Guaranteed on a subordinated basis by Fortis Bank.
- (4) Guaranteed by Fortis Bank.
- (5) Redeemable early at 100% from February 2002 onwards.
- (6) Redeemable early at 100% from February 2013 onwards.
- (7) Redeemable early at 100% from June 1995 onwards.
- (8) Redeemable early at 100% from September 2002 onwards.
- (9) Not being issued.
- (10) Foreign currency amounts have been translated at the rates prevailing on 30th September, 2000.
- (11) Redeemable early at 100% or exchangeable for new Notes from 5th January, 2006 onwards.
- (12) Step-up Notes.
- (13) The following issue will be added to the Long Term Debt of the issuer: minimum EUR 10,000,000 and maximum EUR 100,000,000 11.25% Reverse Convertible Notes Reverse Convertible into ABN AMRO HOLDING N.V. Shares due 19th December, 2003.

- (14) On 30th November, 2001 (the "Substitution Date") Fortis Lux Finance S.A., having its registered office at 14-16 avenue Monterey, L-2163 Luxembourg, registered with the Luxembourg Registry of Commerce and Companies under Nr B 27.220, being a 100% subsidiary of Fortis Bank nv-sa, has been substituted as debtor by Fortis Luxembourg Finance S.A. in accordance with the terms and conditions of the outstanding Fortis Lux Finance Notes/Bonds listed below. From the Substitution Date, Fortis Lux Finance S.A. is released from all its rights and obligations under the Fortis Lux Finance Bonds/Notes and Fortis Bank nv-sa continues to guarantee the liabilities taken over by Fortis Luxembourg Finance S.A. under the Fortis Lux Finance Bonds/Notes under the same conditions as before the Substitution Date.

XS0035929016	LUF	2,000,000,000.00	27th February, 1992	27th February, 2002
XS0048428048	LUF	1,000,000,000.00	25th February, 1994	25th February, 2004
XS0102708632	SEK	515,000,000.00	26th October, 1999	26th October, 2007
XS0095602545	EUR	100,000,000.00	15th April, 1999	15th April, 2005
XS0096930093	EUR	75,000,000.00	10th May, 1999	10th May, 2004
XS0098337149	EUR	100,000,000.00	21st June, 1999	21st June, 2004
XS0100592590	EUR	100,000,000.00	31st August, 1999	31st August, 2004
XS0104913982	EUR	70,000,000.00	20th December, 1999	20th December, 2001
XS0104211957	EUR	100,000,000.00	17th December, 1999	17th December, 2009
XS0106290710	EUR	50,000,000.00	8th February, 2000	8th February, 2005
XS0106569071	EUR	50,000,000.00	15th February, 2000	15th February, 2008
XS0108677039	EUR	50,000,000.00	14th May, 2000	14th March, 2002
XS0107538646	EUR	25,000,000.00	21st March, 2000	21st March, 2002
XS0108677039	EUR	50,000,000.00	28th March, 2000	28th March, 2005
XS0109552389	EUR	70,000,000.00	20th April, 2000	20th April, 2005
XS0110198115	EUR	50,000,000.00	25th April, 2000	25th April, 2002
XS0110173555	EUR	200,000,000.00	11th May, 2000	11th May, 2010
XS0111099262	EUR	25,000,000.00	24th May, 2000	24th May, 2002
XS0111290564	EUR	50,000,000.00	9th June, 2000	9th June, 2005
XS0111732763	EUR	50,000,000.00	13th June, 2000	13th June, 2002
XS0111481403	EUR	250,000,000.00	14th June, 2000	14th June, 2010
XS0112757298	EUR	50,000,000.00	3rd July, 2000	3rd July, 2002
XS0113336134	EUR	25,000,000.00	12th July, 2000	12th July, 2002
XS0113757156	EUR	50,000,000.00	24th July, 2000	24th July, 2002
XS0114409161	EUR	25,000,000.00	2nd August, 2000	2nd August, 2002
XS0115707017	EUR	70,000,000.00	23rd August, 2000	23rd August, 2002
XS0116817783	EUR	60,000,000.00	13th September 2000	13th September, 2002
XS0117594084	EUR	25,000,000.00	2nd October, 2000	2nd October, 2002
XS0117447531	EUR	25,000,000.00	4th October, 2000	4th October, 2005
XS0117512548	EUR	50,000,000.00	20th October, 2000	20th October, 2010
XS0118401248	EUR	25,000,000.00	23rd October, 2000	23rd October, 2002
XS0119299666	EUR	25,000,000.00	6th November, 2000	6th November, 2002
XS0120305767	EUR	25,000,000.00	27th November, 2000	27th November, 2002
XS0120536817	EUR	25,000,000.00	4th December, 2000	4th December, 2002
XS0120236269	EUR	150,000,000.00	15th December, 2000	15th December, 2010
XS0121769458	EUR	25,000,000.00	20th December, 2000	20th December, 2002
XS0121176472	EUR	50,000,000.00	27th December, 2000	27th December, 2010
XS0122429136	EUR	25,000,000.00	16th January, 2001	16th January, 2003
XS0122720732	EUR	150,000,000.00	16th February, 2001	16th February, 2016
XS0123291303	EUR	40,000,000.00	7th February, 2001	7th February, 2005
XS0123532276	EUR	40,000,000.00	5th February, 2001	5th February, 2003
XS0124452292	EUR	25,000,000.00	26th February, 2001	26th February, 2003
XS0124841353	EUR	45,000,000.00	27th February, 2001	27th February, 2003
XS0124841601	EUR	25,000,000.00	28th February, 2001	28th February, 2005
XS0126746436	EUR	25,000,000.00	9th April, 2001	9th April, 2003
XS0131276387	EUR	35,000,000.00	6th July, 2001	6th July, 2003
XS0135141272	EUR	15,000,000.00	1st October, 2001	1st October, 2003
XS0135290947	EUR	25,000,000.00	1st October, 2001	1st October, 2002

Following the above transaction, the total long-term debt of Fortis Luxembourg Finance S.A. as at 30th November, 2001 amounted to EUR 5,163,300,000.

- (15) Save as disclosed above there has been no material change in the capitalisation of Fortis Luxembourg Finance S.A. since 30th September, 2001.

SELECTED FINANCIAL INFORMATION OF FORTIS LUXEMBOURG FINANCE S.A.

Balance Sheet of Fortis Luxembourg Finance S.A.

	1997 (in LUF)	As at 31st December, 1998 1999			2000 (in LUF)	As at 30th September, 2001 (in LUF) (unaudited)
Assets						
Financial fixed assets	91,947,779,275	100,075,659,750	117,628,246,041	104,020,959,842		96,212,966,323
Current assets						
Loans	2,472,678,776	2,462,431,881	2,781,422,334	2,427,817,767		3,309,744,317
Bank deposit	327,409,610	265,502,416	261,197,036	211,079,532		245,091,266
Regularisation.	1,166,575,976	1,412,422,065	1,224,090,055	978,359,072		829,256,980
<i>Total Assets</i>	<i>95,914,443,637</i>	<i>104,216,016,112</i>	<i>121,894,955,466</i>	<i>107,638,216,213</i>		<i>100,597,058,886</i>
Liabilities						
Issued capital	20,000,000	20,000,000	20,000,000	20,000,000		20,000,000
Reserves.	2,000,000	2,000,000	2,000,000	15,823,500		24,460,500
Profit brought forward	372,042,957	462,240,956	229,216,217	109,666,616		211,439,911
Accounts payable						
Debenture.	91,991,371,775	100,115,034,750	117,671,001,227	104,064,312,771		96,212,966,320
Other accounts payable . .	2,334,340,758	2,376,598,883	2,718,801,627	2,361,635,501		3,238,926,699
Regularisation.	1,104,490,148	1,147,166,262	1,159,662,496	956,367,530		827,910,684
Profit for the fiscal year	90,197,999	92,975,261	94,273,899	110,410,295		61,354,772
<i>Total Liabilities</i>	<i>95,914,443,637</i>	<i>104,216,016,112</i>	<i>121,894,955,466</i>	<i>107,638,216,213</i>		<i>100,597,058,886</i>

Profit and Loss Account of Fortis Luxembourg Finance S.A.

	For the year ended 31st December, 1997 1998 1999				2000 (in LUF)	9 month period ended 30 September, 2001 (in LUF) (unaudited)
Gross results	6,087,254,358	6,562,730,068	7,179,587,806	7,446,974,690		4,982,900,102
Interests and similar costs . .	5,941,806,768	6,194,397,469	7,020,818,719	7,280,652,380		4,873,016,935
Other costs and taxes.	55,249,591	57,357,338	64,495,188	55,912,015		48,528,395
<i>Profit for the fiscal year</i>	<i>90,197,999</i>	<i>92,975,261</i>	<i>94,273,899</i>	<i>110,410,295</i>		<i>61,354,772</i>

The above information for the years ended 31st December, 1997, 1998, 1999 and 2000 is extracted from, and should be read in conjunction with, the audited financial statements (including the Notes thereto) of the Company. The audited financial statements of the Company for the year ended 31st December, 2000 are herein incorporated by reference.

FORTIS BANK

1. GENERAL DESCRIPTION

Fortis Bank (the “Guarantor” or “Fortis Bank”) is a public company with limited liability (*société anonyme/ naamloze vennootschap*) under Belgian law. The registered office of the company is located at Montagne du Parc 3, 1000 Brussels, where its headquarters are based. Fortis Bank was established for an indefinite period.

As stated in article 3 of its Articles of Association, Fortis Bank has as its purpose to conduct all banking operations, financial operations, brokerage and fee operations. It is free to carry out all businesses and operations which are directly or indirectly related to its purpose or which are of a nature to benefit the realisation thereof. Fortis Bank is free to hold shares and share interests within the limits set by the legal framework for banks.

Fortis Bank is registered in the Registry of Commerce of Brussels under number 76.034.

Fortis Bank is part of the Fortis Group (as defined below by the section entitled “The Fortis Group” and also referred to herein as “Fortis”), formed through the merger in 1990 of AG 1824, a Belgian insurance company, and the Dutch group AMEV/VSB. Fortis has grown considerably since then, both in its own right and by acquiring other companies such as ASLK-CGER Bank and Generale Bank.

At the operational level Fortis consists of a banking division and an insurance division. The banking division offers a wide range of financial services (including *bancassurance*), mostly under the Fortis Bank name and via its own networks (including 3,000 branches in the Benelux countries). The insurance side provides services mainly through brokers.

2. HISTORICAL OVERVIEW

1720 Rotterdam: the Mees family developed a trade financing business that developed into MeesPierson

1817 Establishment of the “*Maatschappij tot Nut 't Algemeen*”, the first of the savings banks which merged in 1983 to become VSB

1822 The “*Algemeene Nederlandsche Maatschappij ter begunstiging van de Volkswilijf*” was set up in Brussels, and became Generale Bank

1865 The Algemene Spaar- en Lijfrentekas (ASLK-CGER) was established

1989 In the Netherlands, the merger of the insurer AMEV and the savings bank group VSB resulted in AMEV-VSB

1990 Fortis grew out of the merger between the Belgian insurer AG and the Dutch company AMEV-VSB

1993 The government institution ASLK-CGER was privatised and Fortis eventually took full control of it

1995 Generale Bank took over Credit Lyonnais Bank Nederland and formed Generale Bank Nederland

1997 Fortis took over MeesPierson from ABN-AMRO

1998 Generale Bank joined the Fortis Group

1999 Fortis Bank resulted from the merger of Generale Bank and ASLK-CGER in Belgium and Generale Bank Nederland, VSB Bank and MeesPierson in the Netherlands

3. ACTIVITIES

Fortis Bank operates on a cross border basis with offices in the Benelux Countries and it co-ordinates its operations from Brussels, Amsterdam, Rotterdam and Luxembourg.

Fortis Bank mainly provides services to three customer groups:

- Individuals, Professionals and Small enterprises;
- Medium sized Enterprises and Corporates; and
- Private individuals, through Private Banking services.

Fortis Bank carries out the following activities:

- Asset Management;
- Investment Banking;
- Financial Markets; and
- Information Banking, providing information, operational and infrastructural services to corporate customers, banks and financial institutions.

4. THE FORTIS GROUP

The Guarantor is approximately 99 per cent. owned by Fortis.

Fortis is an international financial group established in December 1990 through the merger of the operating activities of the AG Group in Belgium and the AMEV/VSB Group in The Netherlands. Legally, the group has two parent companies, Fortis (B) and Fortis (NL), each of which owns 50 per cent. of Fortis. Fortis (B) is listed on the Brussels, London and Luxembourg stock exchanges. Fortis (NL) is listed on the Amsterdam, London and Luxembourg stock exchanges and has a sponsored ADR programme in the United States.

Fortis is active in insurance, banking and investment activities through more than 100 companies in Western Europe, the United States, Australia, the Caribbean and Asia, which together employ more than 59,000 people. Fortis acquired 98.2 per cent. of the shares of Generale Bank in 1998.

The activities of Fortis are organised in three regions:

Benelux

The group enjoys enhanced scale and scope in certain key market areas which Fortis identified as central to its future development. For example, in the Benelux, the resulting single banking group is a leader in retail banking, covering also the individual and SME segments, the leader in private banking and one of the top three corporate banking operations. Management believes the combined investment management operations are the leading asset manager in the Benelux. The combined group also holds a strong position in investment banking in the Benelux.

Fortis' strengths in insurance and bancassurance (in which it is the leader in the Benelux) will enable its wide range products to be offered to the large Fortis Bank retail customer base, particularly through the Fortis Bank branch networks in Belgium, The Netherlands and Luxembourg and also to its corporate and private banking customers. As a result of the combination, Fortis is now the second largest financial services provider in the Benelux.

Rest of Europe

In the rest of Europe, outside the Benelux, the combined group intends to consolidate its overall position as a European Bank, with operations and services in most European Union countries, Switzerland and selected Eastern European countries. The combined group's banking interests are primarily focused on corporate banking, where Generale Bank's activities complement those of MeesPierson Trust, and on private banking. In investment management, the enlarged base created by the combination of the companies' operations will enable progressive development in selective areas in the rest of Europe, both to institutional clients and, where the appropriate distribution networks exist, to retail clients.

Outside Europe

Internationally, the combined banking operations have a presence in specific countries in Asia, such as in Hong Kong and Singapore, and in Africa where Fortis Bank is present in 18 countries through Banque Belgoise, its subsidiary. The focus is on corporate, private and retail banking, and these business areas will be expanded through the combination. The banking activities of Fortis Bank in Hong Kong will provide a base for regional expansion in Asia.

5. STRATEGY AND POLICY

Fortis Bank aims to expand its current operations globally. In Europe, Fortis Bank will be looking to develop its current presence and enter into new markets by implementing a focused (and prudent) acquisitions policy. Outside Europe, Fortis Bank intends to grow in accordance with the needs of its customers.

6. CAPITAL ADEQUACY – RATING

The Basle Committee on Banking Regulations and Supervisory Practices (the “Basle Committee”) has developed guidelines for the measurement of capital adequacy of international banking organisations. These guidelines set minimum capital adequacy ratios of 4 per cent. for Tier 1 capital and 8 per cent. for total capital (Tier 1 and 2). The table below sets out the Tier 1 and total capital ratios which come from the Fortis Group’s annual accounts in accordance with Fortis Group’s accounting principles for the Generale Bank and ASLK-CGER Bank, now merged into Fortis Bank:

	31st December,		
	1998	1999	2000
	Pro forma		
Tier 1 capital ratio.....	7.7%	7.6%	7.3%
Total capital ratio	10.9%	12.2%	11.8%

7. MANAGEMENT, DECISION-MAKING AND SUPERVISION

Decision-making and management functions at Fortis Bank are divided between the Management Committee and the Board of Directors.

The management of Fortis Bank is the exclusive responsibility of the Management Committee, which consists of a number of managing directors and operates within the framework of the general policy outlined by the Board of Directors.

The Board of Directors is responsible for the supervision of the management and control of the financial position of Fortis Bank, and for defining the general policy. The Board is able to nominate and discharge the members of the Management Committee within the limits of the Protocol on the banking autonomy.

Management of the Bank

Board of Directors

Anton van Rossum	Chairman
Herman Verwilt	Chairman of the Management Committee
Jean-Pierre Cardinael	Managing Director
Karel De Boeck	Managing Director
Filip Dierckx	Managing Director
Patrick Evrard	Managing Director
Joop Feilzer	Managing Director
Gilbert Mittler	Managing Director
Christian Schaack	Managing Director
Sjoerd van Keulen	Managing Director
Jean-Jacques Verdickt	Managing Director
Christian Basecq	Director
Jozef De Mey	Director
Carlo De Swart	Director
Victor Goedvolk	Director
Walter Mersch	Director
Jean Meyer	Director
Jean Stephenne	Director
Robert van Oordt	Director
Michel van Pée	Director
Luc Vansteenkiste	Director

Management Committee

Herman Verwilt
Jean-Pierre Cardinael
Karel De Boeck
Filip Dierckx
Patrick Evrard
Joop Feilzer
Sjoerd van Keulen
Gilbert Mitler
Christian Schaack
Jean-Jacques Verdickt

Accredited Statutory Auditors

PricewaterhouseCoopers, Réviseurs d'Entreprises S.C.C., represented by Daniel Van Woensel, Partner.
Klynveld Peat Marwick Goerdeler Réviseurs d'Entreprises S.C.C., represented by Virgile Nijs, Partner.

8. RECENT DEVELOPMENTS OF FORTIS GROUP

Fortis posted a strong operational performance for the first three quarters of 2001, despite the changed economic environment. Net operating profit excluding capital gains and harmonisation of credit provisions increased by 11 per cent. Both the Insurance and the Banking business reported good operational results in view of weak market conditions. Integration and cost containment programmes are on schedule and full time equivalents have decreased by 1 per cent.

Net operating profit amounted to EUR 2,070 million for the first three quarters of 2001. This represents a 4 per cent. increase over the corresponding period in 2000. Organically (excluding acquisitions, divestitures and currency movements), net operating profit decreased by 2 per cent. Net profit, including non-operating items, even advanced 19 per cent. to EUR 2,506 million, while return on equity increased to 22 per cent. and thus exceeded the 15 per cent. target.

Planned cost reductions and synergies are on track. For the coming year further significant cost reductions and synergies are anticipated. The support and back-office functions of the bank will be further scaled back and the cost base of the market-related activities will be brought in line with the lower levels of transactions.

Main developments first three quarters

- Net operating profit up 4 per cent. to EUR 2,070 million
- Net operating profit, excluding capital gains and harmonisation of credit provisions up 11 per cent.
- Net profit up 19 per cent. to EUR 2,506 million
- Restrained cost performance
- High credit quality
- Total gross premium income up 18 per cent. to EUR 16,760 million
- Net interest income up 4 per cent.
- Commission income almost stable (down 2 per cent.)
- Assets under management 5 per cent lower at EUR 298 billion
- FTEs decreased from 66,559 to 65,881 (down 1 per cent.)
- Return on equity 22 per cent., above the 15 per cent. target

Main developments third quarter

- Good performance Non-life insurance (especially Accident and Health)
- Decline in unit-linked premiums
- Lower capital gains in insurance
- Decrease in Risk-Weighted Commitments compared to 30th June, 2001
- Lower income from stock market-related activities
- Unification of Fortis shares announced
- New ventures in China
- Net equity down to EUR 13,374 million

Unification

On 27th September, 2001, Fortis announced its decision to unify its existing share structure through the creation of the Fortis share. The new Fortis share will replace Fortis (B) and Fortis (NL) shares and will have dual primary listings on Euronext Amsterdam and Euronext Brussels. The unification is subject to approval by Extraordinary General Meetings of Shareholders of Fortis (B) and Fortis (NL). The new Fortis shares, assuming approval, are expected to commence trading on Monday, 17th December, 2001.

The shareholders will benefit from Fortis's increased weight in major stock market indices. Over time, this will lead to a higher market visibility, increased liquidity and a higher demand for the Fortis shares. Euronext has already confirmed that the full market capitalisation of the new Fortis shares will be eligible for the AEX, the BEL20 and the Euronext indices. On 5th November, 2001, MSCI announced that it intended to include the Fortis shares at full market capitalisation in its indices, based on a free float of 75 per cent.

Strategy

Fortis took some important strategic steps in the third quarter. On 10th July, 2001, Fortis, Inc. announced that it would acquire Protective Life Corporation's Dental Benefits Division's indemnity dental business. This acquisition, which will be completed this year, will make Fortis Benefits the leader of the United States

voluntary (employee-paid) dental benefits market and the nation's fourth largest provider of dental benefits. More recently, Fortis took action in connection with its aim to expand its business in Asia. On 19th October, 2001, it announced a new Life insurance partnership with China Insurance Group in China. On 7th November, 2001, Fortis signed a Strategic Alliance Agreement with Haitong Securities Co., Ltd, one of the largest securities companies in China. Under this agreement, Fortis and Haitong will form an asset management joint venture as soon as China creates the necessary legal framework following its entry to the World Trade Organisation.

Net operating profit of the Banking business amounted to EUR 1,179 million for the first three quarters of 2001. This represents a 4 per cent. increase over last year. Given the economic environment, the banking business performed satisfactorily. Net revenues increased by 10 per cent. Net interest income increased by 4 per cent. to EUR 3,262 million. Net commission income decreased only slightly to EUR 1,556 million (down 2 per cent.). Results from financial transactions were 17 per cent. higher than last year at EUR 1,070 million, mainly due to strong results for fixed income. as in the previous quarters, results from venture capital were very low compared to the extremely good results last year. Net capital gains on the investment portfolio amounted to EUR 277 million (+EUR 75 million). The 25 per cent. increase in other income (to EUR 588 million) was largely attributable to higher income from leasing activities. The organic increase in operating expenses remained limited to 4 per cent. compared to the first three quarters in 2000.

Total net profit advanced 19 per cent. to EUR 2,506 million in the first three quarters of 2001. Net profit include non-operating items of EUR 436 million. In the third quarter, the sale of Fortis Australia and the sale of the stake in Kempen & Co produced non-operating capital gains of respectively EUR 46 million and EUR 80 million. Earlier this year, non-operating capital gains were realised on the sale of the investment management activities and the fixed assets of Fortis Financial Group (FFG) (EUR 47 million) and on the sale of the stake in Suez (EUR 264 million).

Solvency

Fortis defines a lower and upper limit for its solvency position. Net core capital at the end of September 2001 amounted to EUR 18,643 million, which was 9 per cent. above the minimum level of EUR 17,154 million and 15 per cent. below the maximum of EUR 21,923 million. On 16th November, 2001 core capital stood at 13 per cent. above the solvency minimum level. The fact that the capital position remained satisfactory was also due to the successful Tier 1 Capital offering: Fortis successfully placed EUR 1 billion of 6.5 per cent. Redeemable Perpetual Cumulative Coupon Debt Securities of Fortis Bank. The securities qualify as Tier 1 Capital for regulatory purposes.

Key figures

	First three quarters		Increase in %
	2001	2000	
	<i>(in millions of EUR)</i>		
Fortis			
Result before taxation	3,238.3	2,974.9	9
Net operating profit ⁽¹⁾	2,069.8	1,982.4	4
Non-operating items	436.4	122.7	
Net profit	2,506.2	2,105.1	19
Net equity	13,374.4	15,196.8 ⁽²⁾	(12)
Return on equity (in %)	21.7	20.5	
Total assets	461,695.5	438,082.7 ⁽²⁾	5
Total assets under management	297,837.8	313,846.0 ⁽²⁾	(5)
Insurance			
Gross premium income	16,760.4	14,162.7	18
Result before taxation	1,391.4	1,412.1	(1)
Net operating profit	999.1	1,016.8	(2)
Non-operating items	436.4	52.2	
Net profit	1,435.5	1,069.0	34
Banking			
Total revenue, net of interest expense	6,476.1	6,104.1	6
Result before taxation	1,949.3	1,717.6	13
Net operating profit	1,178.7	1,130.9	4
Non-operating items		70.5	
Net profit	1,178.7	1,201.4	(2)
Key figures per share (in EUR)			
Net operating profit	1.60	1.64	(2)
After full conversion ⁽³⁾	1.57	1.62	(3)
Net profit	1.94	1.74	11
After full conversion ⁽³⁾	1.89	1.71	11
Net equity	10.34	11.78 ⁽²⁾	(12)

Notes

(1) Net operating profit equals net profit including operational capital gains after adjustment for non-operating items.

(2) Year-end 2000.

(3) After all warrants and option rights have been exercised and after the full conversion of convertible bonds.

Banking

The results of the banking business were in line with previous quarters. Net operating profit for the first three quarters of 2001 amounted to EUR 1,179 million, a 4 per cent. increase over last year. Net revenues increased by 10 per cent. Net interest income rose 4 per cent. to EUR 3,262 million owing to the improved interest margin. Net commission income proved resistant to the adverse market trends and decreased only slightly to EUR 1,556 million (down 2 per cent.). However, commission income from stock market-related business activities suffered from low volumes. Commissions on issuance and placements dropped 43 per cent. to EUR 70 million. The decline in commissions on securities transactions was limited to 7 per cent. owing to new operations in the United States, which brought in EUR 79 million. Commissions on Asset Management increased by 5 per cent. to EUR 491 million. Commissions on Insurance (up 4 per cent.) totalled EUR 115 million and on Payment Services (up 11 per cent.) EUR 250 million.

The results of financial transactions were 17 per cent. higher than last year at EUR 1,070 million. As a result of the large proportion of bonds in Fortis Bank's investment portfolio, results were good. Trading results increased by 43 per cent. compared to the corresponding period last year, mainly due to the good results of fixed income in the third quarter. As in previous quarters, the results of venture capital were very low compared to the extremely good figures last year. Net capital gains on the investment portfolio amounted to EUR 277 million (+EUR 75 million) and were primarily realised in the first quarter. The 25 per cent. increase in other income (to EUR 588 million) was largely attributable to income from leasing activities, which increased by 57 per cent. to EUR 310 million.

Risk-Weighted Commitments (RWC) decreased 3 per cent. from the end of the second quarter. This was mainly because of the temporary nature of some of the earlier increases. RWC ended 3 per cent. higher than at the beginning of 2001.

The decrease in value adjustments (–EUR 207 million) was mainly due to the harmonization of provisioning policy at Fortis Bank. Excluding this effect, value adjustments were almost the same as last year. In the first three quarters of 2001 Fortis saw a deterioration in its credit portfolio, although this has not yet resulted in any additional non-performing loans. Fortis has always followed a sound and prudent provisioning policy. Consequently, as the economy and financial markets continue their downward trend, it may be prudent to make additional provisions in the fourth quarter in relation to the credit and investment portfolios. In accordance with its policy, Fortis added EUR 127 million to the Fund for General Banking Risks (FGBR) in the first three quarters of 2001. The FGBR now stands at 1.32 per cent. of RWC, which is high compared to market standards.

Taxation, at EUR 719 million was 46 per cent. higher than last year. This was due to higher taxable profit, since last year’s record-high income from venture capital was tax-exempt. The effective tax rate consequently increased from 29 per cent. to 37 per cent.

Operating expenses (including Fortis Bank Insurance) increased by 9 per cent. (up 4 per cent. organically). The cost/income ratio went up to 64.7 per cent. compared to 62.9 per cent. for the first three quarters of 2000. Staff costs rose 5 per cent., as budgeted, mainly due to wage inflation. The number of FTEs remained almost stable at 43,441. A rise in overheads by 10 per cent. was mainly due to the inclusion of ASR Bank. Depreciation rose by 10 per cent. Increased leasing business resulted in higher costs (up 44 per cent.), which were offset by higher income from leasing activities (up 57 per cent.).

Key figures Banking (including FB Insurance)

	First three quarters 2001	Full year 2000
Net operating profit (EUR million)	1,322	1,532
Cost/Income ratio	64.7%	65.1%
FTEs (end of period)	43,441	43,716

Network Banking

The integration programme remains on track in both Belgium and the Netherlands. The number of branches in Belgium has been reduced to 1,958 from 2,110 at the end of 1998. The full integration of the IT systems of the former ASLK and Generale Bank was successfully completed on the weekend of 15th and 16th September, 2001. Preparations for the euro conversion are on schedule.

In the Netherlands, the number of branches has been reduced to 269 from 350 at the end of 1998. One of the new products Fortis Bank successfully introduced in the Netherlands was Garantcertificaten (Guaranteed Certificates). Fortis Bank has anticipated the growing demand for ethical (“green”) investment opportunities by setting up Fortis Groenbank.

The main event at Medium-sized Enterprises and Corporates (MEC) was the start of the internal “EVA project” within the business centre network in the Netherlands. This project aims to improve return on equity even further and to reduce Risk-Weighted Commitments. It will enable MEC to price its products better and to increase its cross-selling ratio.

ASR Bank achieved impressive mortgage production of EUR 3.3 billion, a 64 per cent. rise compared to the first three quarters of 2000.

Fortis Bank Insurance, unlike in previous quarters, experienced a sharp decrease in Life premiums, especially in unit-linked. This decline was due to uncertain market conditions. At EUR 1,947 million, Life premium income was 12 per cent. lower than it was in the first three quarters of 2000. Non-life premiums came in 4 per cent. higher, at EUR 115 million.

Key figures Network Banking

	First three quarters 2001	Full year 2000
Net operating profit (EUR million)	884	781
FTEs (end of period).....	22,817	22,905
Number of branches (Benelux)	2,750	2,871
Belgium ⁽¹⁾	2,441	2,532
Netherlands	269	299
Luxembourg	40	40
Automation rate (Belgium) ⁽²⁾	79%	75.9%
Key figures FB Insurance		
Costs/Gross Written Premiums	4.2	3.2
FTEs (end of period).....	749	756
Gross Written Premiums Life (EUR million)	1,947.1	3,260.7
Gross Written Premiums Non-life (EUR million)	115.3	143.9
Growth of Assets under management ⁽³⁾	3.4%	24.3%
Combined of ratio Non-life	88	94
Penetration of insurance (Belgium) ⁽⁴⁾	43.0%	42.3%

(1) Including branches of Krediet aan de Nijverheid.

(2) Automation rate: number of electronic transactions (three month figures) as a percentage of total transactions on behalf of customers.

(3) Change in technical provisions for Life insurance.

(4) Penetration rate: number of active customers with at least one insurance contract as a percentage of the total number of active customers.

Merchant Banking

Despite the downturn in financial markets, net operating profit amounted to EUR 333 million, mainly thanks to Financial Markets and Information Banking activities. The results of Investment Banking were positive, despite difficult market conditions. Private Equity saw a sharp decrease in income from venture capital.

Merchant Banking's diversified product mix make its results less vulnerable to market volatility. Cross-selling between Merchant Banking's four business lines has improved and activities outside the Benelux have been expanded. An integrated customer relationship management team was created and will lead to a better service towards wholesale clients in all products from all business lines. Furthermore, the introduction of adequate information systems will enable Merchant Banking to increase synergies and cross-selling with other businesses. Merchant Banking products are increasingly finding their way to the customers of other businesses. Merchant Banking acted as global co-ordinator in the successful placement of Fortis Hybrid Tier 1 capital (EUR 1 billion).

Financial Markets achieved good results in fixed income. **Investment Banking** suffered from lower market volumes and less merger and acquisition activity as a result of market conditions. On 30th October, 2001, Fortis announced that it would make a public bid for all Moeara Enim's outstanding shares. AQ Publications hailed Fortis Investment Banking's research as "the best earnings forecaster in Europe" for the fifth time in succession. **Private Equity** started a venture capital fund, Nazca Capital I, in Spain. Earlier this year, Fortis Private Equity and European Investment Fund entered into a partnership agreement to set up FAGUS, a venture capital fund that will invest primarily in innovative Belgium companies. Other European Union countries are also eligible for investment. **Information Banking** achieved strong results in Global Securities Lending and Arbitrage (GSLA) and Derivatives Clearing. Also the Fund Services unit performed better than last year. Information Banking has attracted various new customers and has opened a sales/service desk in Amsterdam for continental European Hedge Funds.

Key figures Merchant Banking

	First three quarters 2001	Full year 2000
Net operating profit (EUR million)	333	485
FTEs (end of period)	2,687	2,644

Private Banking and Asset Management

The combined total revenues of **Private Banking** and **Asset Management** were EUR 74 million lower (down 11 per cent.) than in the same period last year due to market conditions. Costs were adjusted downwards both for Asset Management and for Private Banking once it became clear that revenues would be under pressure. Some of the benefits of this have already been realised. Total operating expenses decreased 3 per cent. (-EUR 14 million) compared to the corresponding period last year. Going forward, and in line with revenue performance, a further reduction of expenses may be expected. Private Banking achieved good results in Spain. It closed its office in Denmark in the third quarter, while the Swiss branches of Banque Générale du Luxembourg (BGL) and Banque MeesPierson Gonet merged and were renamed Banque MeesPierson BGL S.A.

Assets under management amounted to EUR 298 billion at the end of the third quarter, a 5 per cent. decrease compared to 31st December, 2000. Investments for own account increased by 7 per cent. to EUR 143 billion. Total funds under management amounted to EUR 134 billion (down 15 per cent.), partly due to the sale of FFG. Net inflow from retail customers reduced by 16 per cent. owing to the uncertain market conditions.

Fortis opened a representative office in Shanghai in March 2001. Then, on 7th November, 2001, Fortis signed a Strategic Alliance Agreement with Haitong Securities Co. Ltd, one of the largest securities companies in China. Under this agreement Fortis and Haitong will form an asset management joint venture as soon as China creates the necessary legal framework following its entry to the World Trade Organisation. The agreement covers the alliance of the two parties with regard to investment management under the prevailing Chinese legal framework and details the medium and long-term strategic goals for future co-operation. The joint venture intends to obtain a licence to sell and run domestic open-ended mutual equity funds investing in Chinese equities.

Private Banking and Asset Management

	Private Banking and Asset Management		Private Banking		Asset Management	
	First three		First three		First three	
	quarters	Full year	quarters	Full year	quarters	Full year
	2001	2000	2001	2000	2001	2000
Net operating profit (EUR million)	105	266	72	176	33	90
FTEs (end of period)	3,128	3,192	2,424	2,431	704	761

Assets under management (EUR billion)

	Private Banking and Asset Management		Private Banking		Asset Management	
	30	31	30	31	30	31
	September, 2001	December, 2000	September, 2001	December, 2000	September 2001	December, 2000
	<i>(in billions of EUR)</i>					
Total investments for own accounts	143.5	134.2				
Investments on behalf of policy holders	20.3	22.0				
Funds under management	134.0	157.6	56.2	66.8	77.8	90.8
Assets under management	297.8	313.8				

Note: exchange rates

As an indication (rates on 30th September, 2001

1 EUR = 40.34 = NLG 2.20 = USD = 0.91 = GBP = 0.62 = FRF 6.56 = ESP 166.39 = AUD 1.67.

9. CAPITALISATION AND INDEBTEDNESS OF THE GUARANTOR

The unaudited capitalisation and indebtedness of Fortis Bank as at 30th June, 2001 is set forth below on a consolidated basis:

	As at 30th June, 2001 <i>(in millions of EUR)</i>
Shareholders' Equity	
Share capital ⁽¹⁾	3,112
Share premium account	4,875
Reserves and accumulated profit (before profit appropriation)	1,505
Translation differences	68
Total Shareholders' Equity	<u>9,560</u>
Contingency Reserve	1,657
Long Term Debt⁽²⁾	
Subordinated liabilities	9,392
Unsubordinated liabilities	35,515
Total Long Term Debt	<u>44,907</u>
Total capitalisation⁽³⁾	<u>56,124</u>

Notes

(1) As at date of this Offering Circular, the issued and paid-up share capital amounted to EUR 3,111,838,861 and was represented by 160,404,065 no-par-value ordinary shares. The authorised capital amounts to EUR 3,285,364,328.34.

(2) From 30th June, 2001 to the date of this Offering Circular, Fortis Bank has guaranteed the following new issues by Fortis Luxembourg Finance S.A. or Fortis Ifico:

EUR 35,000,000 11.625 per cent. Notes Reverse Convertible into ABN AMRO HOLDING N.V. Shares, due 2003

EUR 22,500,000 Credit Linked Notes due 2006

EUR 10,000,000 Credit Linked Notes due 2006

EUR 3,000,000 Credit Linked Notes due 2006

EUR 25,000,000 11.5 per cent. Notes Reverse Convertible into Deutsche Bank AG Shares, due 2003

EUR 25,000,000 15 per cent. Notes Reverse Convertible into Deutsche Bank AG Shares, due 2002

Minimum EUR 10,000,000 and maximum EUR 100,000,000 11.25 per cent. Reverse Convertible Notes reverse convertible into ABN AMRO Holdings N.V. Shares due 19th December, 2003

EUR 35,000,000 zero coupon Notes due 2002.

(3) On 26th September, 2001, Fortis Bank issued EUR 1,000,000,000 6.50 per cent. Redeemable Cumulative Coupon Debt Securities.

Save as disclosed above, there has been no material change in the capitalisation or indebtedness of the Guarantor since 30th June, 2001.

10. SELECTED FINANCIAL INFORMATION: EXTRACT FROM THE CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTS OF THE GUARANTOR

Audited consolidated 1999 and 2000 accounts of FORTIS BANK nv-sa.

1. *Balance Sheet after Appropriation*

		31st December, 2000	31st December, 1999
		<i>(in thousands of EURO)</i>	
ASSETS			
I.	Cash in hand, balances with central banks and giro offices	101.000 1,776,443	1,169,641
II.	Government securities eligible for refinancing at the central bank	102.000 5,902,403	8,977,905
III.	Amounts receivable from credit institutions	103.000 64,811,019	82,385,298
	A. <i>At sight</i>	103.100 3,757,522	2,902,097
	B. <i>Other amounts receivable (at fixed term or period of notice)</i>	103.200 61,053,497	79,483,201
IV.	Amounts receivable from customers	104.000 144,655,906	132,413,795
V.	Bonds and other fixed-income securities	105.000 82,794,661	79,841,652
	A. <i>Of public issuers</i>	105.100 53,536,639	54,284,580
	B. <i>Of other issuers</i>	105.200 29,258,022	25,557,072
VI.	Corporate shares and other variable-income securities	106.000 5,224,785	3,450,084
VII.	Financial fixed assets	107.000 3,025,502	1,574,804
	A. <i>Companies valued by equity method</i>		
	1. <i>Participating interests</i>	107.100 1,261,556	939,746
	2. <i>Subordinated loans</i>	107.200 0	0
	B. <i>Other companies</i>		
	1. <i>Participating interests and shares</i>	107.300 1,752,219	623,908
	2. <i>Subordinated loans</i>	107.400 11,727	11,150
VIII.	Formation expenses and intangible fixed assets	108.000 202,307	119,810
IX.	Consolidation differences	109.000 0	0
X.	Tangible fixed assets	110.000 3,596,464	3,260,201
XI.	Own shares	111.000 0	0
XII.	Other assets	112.000 3,853,237	3,547,799
XIII.	Deferred charges and accrued income	113.000 16,248,747	12,571,788
	TOTAL ASSETS	199.000 332,091,474	329,312,777

		31st December, 2000	31st December, 1999
		<i>(in thousands of EURO)</i>	
LIABILITIES			
I.	Amounts payable to credit institutions	201.000	93,660,101
	A. <i>At sight</i>	201.100	8,904,585
	B. <i>Resulting from refinancing by rediscounting of trade bills</i>	201.200	104,900
	C. <i>Other amounts payable at fixed term or period of notice</i>	201.300	84,650,616
II.	Amounts payable to clients	202.000	157,177,317
	A. <i>Savings deposits</i>	202.100	30,057,254
	B. <i>Other amounts payable</i>	202.200	127,120,063
	1. <i>At sight</i>	202.201	55,594,502
	2. <i>At fixed term or period of notice</i>	202.202	71,524,455
	3. <i>Resulting from refinancing by rediscounting of trade bills</i>	202.203	1,106
III.	Amounts payable represented by a security	203.000	37,931,221
	A. <i>Bills and bonds in circulation</i>	203.100	26,494,471
	B. <i>Other</i>	203.200	11,436,750
IV.	Other amounts payable	204.000	5,334,116
V.	Accrued charges and deferred income	205.000	15,443,525
VI.	Provisions for risks and charges, deferred taxes	206.000	2,433,740
	A. <i>Provisions for risks and charges</i>	206.100	2,232,102
	1. <i>Pensions and similar obligations</i>	206.101	577,472
	2. <i>Fiscal charges</i>	206.102	14,557
	3. <i>Other risks and charges</i>	206.103	1,640,073
	B. <i>Deferred taxes</i>	206.200	201,638
VII.	Fund for general banking risks	207.000	1,569,648
VIII.	Subordinated amounts payable	208.000	9,126,564
	SHAREHOLDERS' EQUITY	8,623,313	7,294,935
IX.	Capital	209.000	3,111,838
	A. <i>Subscribed capital</i>	209.100	3,111,838
	B. <i>Uncalled capital</i>	209.200	0
X.	Share premiums	210.000	4,874,776
XI.	Revaluation surpluses	211.000	0
XII.	Reserves and profit brought forward	212.000	600,340
XIII.	Consolidation differences	213.000	0
XIV.	Exchange differences	214.000	36,359
	THIRD PARTY INTERESTS		
XV.	Third party interests	215.000	791,929
	TOTAL LIABILITIES	299.000	332,091,474
		332,091,474	329,312,777

		31st December, 2000	31st December, 1999	
<i>(in thousands of EURO)</i>				
OFF-BALANCE SHEET ITEMS				
I.	Contingent liabilities	301.000	30,497,928	33,069,208
	A. <i>Unnegotiated acceptances</i>	301.100	154,577	232,171
	B. <i>Guarantees in the nature of credit substitutes</i>	301.200	3,057,947	2,069,464
	C. <i>Other guarantees</i>	301.300	23,850,224	28,494,648
	D. <i>Documentary credits</i>	301.400	3,423,299	2,254,846
	E. <i>Assets pledged by secured guarantees on behalf of third parties</i>	301.500	11,881	18,079
II.	Commitments which can give rise to a credit risk	302.000	72,231,950	79,580,225
	A. <i>Firm commitments to make funds available</i>	302.100	3,751,611	9,140,428
	B. <i>Commitments in respect of spot purchases of transferable securities or other assets</i>	302.200	1,024,251	295,697
	C. <i>Available margin under confirmed credit lines</i>	302.300	67,118,759	70,054,151
	D. <i>Commitments to underwrite and place securities</i>	302.400	337,329	89,949
	E. <i>Repurchase commitments resulting from imperfect repurchase agreements</i>	302.500	0	0
III.	Assets entrusted to the consolidated institutions	303.000	465,864,780	245,748,982
	A. <i>Assets held on an organised trusteeship basis</i>	303.100	3,709,037	2,388,073
	B. <i>Assets in safe custody and under similar arrangements</i>	303.200	462,155,743	243,360,909
IV.	To be paid upon corporate shares and units	304.000	232,792	235,853

2. Income Statement

	31st December, 2000	31st December, 1999
	<i>(in thousands of EURO)</i>	
I. Interest and similar revenues of which: from fixed-income securities	17,380,385 4,989,632	14,382,738 4,590,947
II. Interest and similar charges	(13,308,695)	(10,235,223)
III. Income from variable-income securities	138,738	108,751
A. Corporate shares and units and other variable-income securities	23,394	16,470
B. Participating interests in affiliated enterprises	115,344	92,281
IV. Commission received	2,705,090	2,246,868
V. Commission paid	(529,694)	(412,190)
VI. Profit from (loss on) financial operations	828,140	639,426
A. Foreign exchange transactions and transactions in securities and other financial instruments	529,864	271,538
B. Realisation of investment securities	298,276	367,888
VII. General administrative expenses	(4,682,304)	(4,233,729)
A. Wages and salaries, social charges and pensions	2,945,195	2,670,387
B. Other administrative expenses	1,737,109	1,563,342
VIII. Depreciation of and amounts written off on formation expenses and intangible and tangible fixed assets	(571,085)	(454,448)
IX. Write-back of amounts written off (Amounts written off) on amounts receivable and provisions for headings "I. Contingent liabilities" and "II. Liabilities which may give rise to a credit risk" in the off-balance sheet section	(297,608)	(475,165)
X. Write-back of amounts written off (Amounts written off) on the investment portfolio of bonds, shares and other fixed-income or variable-income securities	(45,144)	37,440
XI. Uses and write-back of provisions for risks and charges other than those referred to by heading "I. Contingent liabilities" and "II. Liabilities which may give rise to a credit risk" in the off-balance sheet section	282,483	243,480
XII. Provisions for risks and charges other than those covered by headings "I. Contingent liabilities" and "II. Liabilities which may give rise to a credit risk" in the off-balance sheet section	(124,375)	(253,496)
XIII. Transfers from (Appropriation to) the fund for general banking risks	(154,757)	(140,700)

Income Statement (continued)

	31st December, 2000	31st December, 1999
	<i>(in thousands of EURO)</i>	
XIV. Other operating income	443,761	391,638
XV. Other operating charges	(246,551)	(185,562)
XVI. Current profit (Current loss) before taxes	<u>1,818,384</u>	<u>1,659,828</u>
XVII. Extraordinary income	379,697	194,877
A. Write-back of depreciation and amounts written off on intangible and tangible fixed assets	51	756
B. Write-back of amounts written off on financial fixed assets	8,465	930
C. Write-back of provisions for exceptional risks and charges	27,469	35,784
D. Capital gains on disposal of fixed assets	328,760	138,472
E. Other extraordinary income	14,952	18,935
XVIII. Extraordinary charges	(33,962)	(418,439)
A. Extraordinary depreciation on and amounts written off on formation expenses, intangible and tangible fixed assets	9	5
B. Amounts written off on financial fixed assets	7,813	10,746
C. Provisions for extraordinary risks and charges	12,154	295,460
D. Capital losses on disposal of fixed assets	8,387	109,017
E. Other extraordinary charges	5,599	3,211
XIX. Consolidated profit (Loss) for the year before taxes	<u>2,164,119</u>	<u>1,436,266</u>
XX. A. Transfers to deferred taxes	(136,409)	(108,450)
B. Transfers from deferred taxes	77,334	142,634
XXI. Taxes on result	(557,229)	(364,186)
A. Taxes	(586,084)	(568,924)
B. Adjustment of income taxes and write-back of tax provisions	28,855	204,738
XXII. Consolidated profit (Loss) of the year	<u>1,547,815</u>	<u>1,106,264</u>
XXIII. Part of the results of participating interests valued by equity method	229,479	227,656
A. Profits	236,822	228,402
B. Losses	(7,343)	(746)
XXIV. Consolidated profit	<u>1,777,294</u>	<u>1,333,920</u>
XXV. Third party interests	114,303	129,315
XXVI. Group profit	1,662,991	1,204,605

TAXATION

Belgian Taxation

Withholding tax. Payment of interest and principal under the Notes by FORTISI or by the Guarantor in its capacity as guarantor will not be subject to Belgian withholding tax, unless such payment is made through a financial institution or other intermediary established in Belgium. If it is so made, withholding tax may be levied at the rate of 15 per cent. subject to certain exemptions or reductions. Currently, exemptions are in particular available in the following circumstances, in each case subject to certain conditions and identification formalities:

- the Noteholder is a non-resident of Belgium, does not allocate the Notes to any professional activity in Belgium and keeps the Notes in custody with a financial institution established in Belgium;
- the Noteholder is a non-resident of Belgium, does not allocate the Notes to any professional activity in Belgium and has the benefit of a tax treaty which provides for such an exemption;
- the Noteholder is a resident of Belgium, or is a non-resident but holds the Notes through a permanent establishment in Belgium, and qualifies for an exemption of withholding tax by reason of its own tax status. It should be noted that this last type of exemption is generally not available in respect of payments which relate to an original issue discount on Zero Coupon Notes.

If payment is made by the Guarantor in its capacity as principal debtor under Perpetual Notes further to the winding-up, liquidation or bankruptcy of the Issuer in accordance with Condition 10(c)(v) of the Notes, withholding tax may be also levied at the rate of 15 per cent., subject to certain limited exemptions or reductions.

Income tax. Noteholders who are residents of Belgium or hold the Notes through a permanent establishment in Belgium will be subject to Belgian income tax on the interest collected under the Notes and, depending on their tax status, on capital gains realised in respect of the Notes. Other Noteholders will not be subject to such Belgian income tax (save, as the case may be and as set out above, in the form of withholding tax).

Stamp duties. Subscriptions for or trades in respect of the Notes, if made through a financial intermediary established in Belgium, will be subject to stamp duties at the rates of 0.14 per cent. in the case of primary market subscriptions or 0.07 per cent. in the case of trades on the secondary market (subject in each case to a maximum amount of BEF 10,000 per transaction). Such stamp duty is not applicable, however, to Noteholders who are non-residents of Belgium or are qualifying institutional investors.

Tax on the delivery of bearer instruments. The physical delivery to investors (other than qualifying financial institutions) of Definitive Notes in bearer form will be subject to a tax of 0.2 per cent., if such delivery takes place in Belgium.

Inheritance duties. No Belgian inheritance duties will be levied in respect of the Notes if the deceased Noteholder was not a Belgian resident at the time of his or her death.

Taxation in Luxembourg

FORTISL has been advised that under the existing laws of Luxembourg:

- (a) all payments of interest and principal by FORTISL 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 Luxembourg or any political subdivision or taxing authority thereof or therein;
- (b) a holder of Note who derives income from such Note or who realises a gain on the disposal or redemption thereof will not be subject to Luxembourg taxation on income or capital gains unless:
 - (i) such holder is, or is deemed to be, resident in Luxembourg; or
 - (ii) such income or gain is attributable to an enterprise or part thereof which is carried on through a permanent representative in Luxembourg;

- (c) Luxembourg net wealth tax will not be levied on a holder of a Note unless:
 - (i) such holder is, or is deemed to be, resident in Luxembourg for the purpose of the relevant provisions; or
 - (ii) such Note is attributable to an enterprise or part thereof which is carried on through a permanent establishment or a permanent representative in Luxembourg;
- (d) Luxembourg gift 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 thereof unless:
 - (i) such holder is, or is deemed to be, resident in Luxembourg for the purpose of the relevant provisions; or
 - (ii) 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 Luxembourg for the purpose of the relevant provisions; or
 - (iii) such Note is attributable to an enterprise or part thereof which is carried on through a permanent establishment or a permanent representative in Luxembourg; or
 - (iv) the gift is registered in Luxembourg, which is not mandatory;
- (e) there is no Luxembourg registration tax, capital tax, stamp duty or any other similar tax or duty (other than court fees and contributions for the registration with the Chamber of Commerce) payable in Luxembourg in respect of or in connection with the execution, delivery and enforcement by legal proceedings (including any foreign judgement in the courts of Luxembourg) of the Notes or the performance of the Issuer's obligations thereunder, except that in the case of court proceedings in a Luxembourg court or the presentation of the documents relative to the Notes to an "*autorité constituée*", such court or "*autorité constituée*" may require registration thereof, in which case the documents will be subject to registration duties depending on the nature of the documents and, in particular, a loan will be subject an *ad valorem* registration duty of 0.24 per cent. calculated on the amounts mentioned therein;
- (f) there is no Luxembourg value-added tax payable 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 Notes, provided that Luxembourg value-added tax may, however, be payable in respect of fees charged for certain services rendered to the Issuer, if for Luxembourg value-added tax purposes such services are rendered, or are deemed to be rendered, in Luxembourg and an exemption from Luxembourg value-added tax does not apply with respect to such services;
- (g) a holder of a Note will not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of such Note or the execution, performance, delivery and/or enforcement of that or any other Note.

Proposed European Union Savings Directive.

The European Union is currently considering proposals for a new directive regarding the taxation of savings income. Subject to a number of important conditions being met, it is proposed that Member States will be required 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 an individual resident in that other Member State, subject to the right of certain Member States to opt instead for a withholding system for a transitional period in relation to such payments. The proposals are not yet final, and they may be subject to further amendment and/or clarification.

PLAN OF DISTRIBUTION

Subject to the terms and conditions contained in an Amended and Restated Distribution Agreement dated 11th December, 2001 (the "Distribution Agreement") between the Issuers, the Guarantor and the Dealers named therein the Notes will be offered on a continuing basis by the Issuers through the Dealers. The Issuers will have the sole right to accept offers to purchase Notes and may reject any proposed purchase of Notes as a whole or, subject to the terms of the offer, in part. The Dealers shall have the right, in their discretion reasonably exercised, without notice to the Issuers, to reject any proposed purchase of the Notes made to them as a whole or, subject to the terms of the offer, in part. Unless otherwise agreed, the Issuers will pay a Dealer a commission of from 0.075 per cent. to 0.625 per cent. of the principal amount of the Notes, depending upon maturity, in respect of the Notes solicited for purchase by it. Each of the Issuers, failing whom the Guarantor, has agreed to reimburse the Dealers for certain of their expenses incurred in connection with the establishment of the Programme and the Dealers' activity in connection therewith, as provided in the Distribution Agreement.

The Issuers may also sell Notes to the Dealers as principals, for their own accounts at a price to be agreed upon at the time of sale. Such Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer(s). The Distribution Agreement also provides for Notes to be issued in Tranches which may be jointly and severally underwritten by two or more Dealers.

Each of the Issuers, failing whom the Guarantor, has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Distribution Agreement may be terminated in relation to all the Dealers or any of them by the Issuers and the Guarantor or, in relation to itself and the Issuers only, by any Dealer in any such case, and for any reason and at any time upon the giving of not less than 10 business days' written notice of such termination to the other parties hereto.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 as amended (the "Securities Act") and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons. Each of the Dealers has agreed that it will not offer, sell or deliver a Note in bearer form within the United States or to U.S. persons except as permitted by the Distribution Agreement.

Notes in bearer form 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 U.S. 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.

Each Dealer has agreed that, except as permitted by the Distribution Agreement, it will not offer, sell or deliver the Notes of any Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Issuers, or the Fiscal Agent, 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 Notes a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

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

Each of the Dealers has represented and agreed that (i) in relation to Notes which have a maturity of one year or more, it has not offered or sold and will not offer or sell any such Notes to persons in the United Kingdom prior to the expiry of the period of six months from the issue date of such Notes except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in any offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995, as amended, (ii) in relation to any Notes which must be redeemed before the first anniversary of the date of their issue, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire,

hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 by the relevant Issuer, (iii) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom and (iv) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) received by it in connection with the issue or sale of such Notes in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 does not or, in the case of the Guarantor, would not, if it was not an authorised person apply to the relevant Issuer or the Guarantor.

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan and, accordingly, each Dealer has undertaken that it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, “Japanese person” shall mean “any person resident in Japan, including any corporation or other entity organised under the laws of Japan.”

Each Dealer has confirmed that it is aware of the fact that no German selling prospectus (*Verkaufsprospekt*) has been or will be published with respect to the Programme and that such Dealer will comply with the Securities Selling Prospectus Act (the “SSPA”) of the Federal Republic of Germany (*Wertpapier-Verkaufsprospektgesetz*). In particular, each Dealer has undertaken not to engage in public offering (*öffentliches Anbieten*) or other selling activities in the Federal Republic of Germany with respect to any Notes issued under the Programme otherwise than in accordance with the SSPA and any other legislation replacing or supplementing the SSPA and all other applicable laws and regulations.

The Issuers, the Guarantor and each Dealer has represented and agreed that, in connection with their initial distribution, it has not offered or sold and will not offer or sell, directly or indirectly, the Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Offering Circular or any other offering material relating to the Notes, and that such offers, sales and distributions have been and shall only be made in France to (i) qualified investors (*investisseurs qualifiés*) and/or (ii) a restricted group of investors (*cercle restreint d’investisseurs*), all as defined in and in accordance with Articles L411-1 and L411-2 of the Code monétaire et Financier and decree no. 98-880 dated 1st October, 1998.”

Each Dealer has represented and agreed that all Notes (other than Notes listed on the Luxembourg Stock Exchange or Notes having a denomination equal to or in excess of NLG 100,000 (or its equivalent in any other currency)) issued under the Programme shall, if the prohibition referred to in article 3 of the Netherlands Act on the supervision of the securities trade (as amended and/or restated from time to time) 1995 (“*Wet toezicht effectenverkeer 1995*”) (the “Act”) applies, (i) only be issued if another exemption as referred to in the Exemption Regulation (as amended and/or restated from time to time) based on the Act (“*Vrijstellingsregeling Wet toezicht effectenverkeer 1995*”) from the above prohibition applies and the requirements of such exemption are fully complied with or (ii) only be issued if the Securities Board of The Netherlands has, upon request, granted an individual dispensation from the above prohibition and the conditions attached to such dispensation are fully complied with.

Pursuant to The Netherlands Savings Certificates Act (“*Wet inzake spaarbewijzen*”; the “Savings Certificates Act”) of 21st May, 1985, any transfer or acceptance of Zero Coupon Notes (as defined below) in definitive form which fall within the definition of savings certificates (“*spaarbewijzen*”) in the Savings Certificates Act may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or an admitted institution of Euronext Amsterdam N.V. (“*toegelaten instelling*”). No such mediation is required in respect of (i) a transfer and acceptance by individuals not acting in the course of their business or profession and (ii) an issue of Notes qualifying as savings certificates to the first holders thereof. In addition, pursuant to the Savings Certificates Act, certain identification requirements in relation to an issue of, transfer of, or payment on Notes qualifying as savings certificates have to be complied with. The Savings Certificates Act is not applicable to an issue and trading of Notes qualifying as savings certificates, if such Notes are physically issued outside The Netherlands and are not immediately

thereafter distributed within The Netherlands in the course of primary trading. For the purposes of this paragraph “Zero Coupon Notes” are Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

The Offering Circular has not been, and it is not expected that it will be, submitted for approval to the Belgian Banking and Finance Commission and, accordingly, neither the Notes nor any offering material in respect thereto may be distributed by way of public offering in Belgium. Each Dealer has represented and agreed that it has not taken and will not take any steps in relation to the Notes or any offering material in respect thereof that would constitute or result in a public offer of the Notes in the Kingdom of Belgium within the provisions of the Royal Decree No. 185 of 9th July, 1935 and the Royal Decree of 7th July, 1999, as amended.

Each Dealer has represented and agreed that no invitation will be made to the public of the Cayman Islands to purchase any Notes, whether directly or indirectly.

Each Dealer has agreed that it has not offered or sold and will not offer or sell any of the Notes in Luxembourg, other than in circumstances which do not constitute a public offering under Luxembourg law and regulations.

Selling restrictions may be modified by the agreement of the Issuers, the Guarantor and the Dealers following a change in, or in the interpretation or application of, a relevant law, regulation or directive. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular.

Each of the Dealers, the Issuers and the Guarantor has agreed not to take any action in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Offering Circular or any other offering material, in any country or jurisdiction where action for that purpose is required.

Each of the Dealers has agreed to comply, to the best of its knowledge and belief, with all relevant securities laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Offering Circular or any other offering material, in all cases at its own expense.

PRO FORMA PRICING SUPPLEMENT

Pricing Supplement dated ●

FORTIS IFICO

(incorporated in the Cayman Islands)

FORTIS LUXEMBOURG FINANCE S.A.

(incorporated as a société anonyme under the laws of the Grand Duchy of Luxembourg registered with the Luxembourg Registry of Commerce and Companies under No. B 24,784)

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

Guaranteed by FORTIS BANK nv-sa

under the U.S.\$3,000,000,000

Euro Medium Term Note Programme

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 11th December, 2001. This Pricing Supplement must be read in conjunction with such Offering Circular.

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

Except as disclosing in this document there has been no significant change in the financial or trading position of the Issuer, the Guarantor or of the Guarantor and its subsidiaries since [date of last audited accounts or interim accounts (if later)] and no material adverse change in the financial position or prospects of the Issuer, the Guarantor or of the Guarantor and its subsidiaries since [date of last published annual accounts].

[In connection with this issue, [name of Stabilising Agent] may over-allot or effect transactions which stabilise or maintain the market price of the Notes at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]

1. [(i)] Issuer: [FORTIS IFICO/Fortis Luxembourg Finance S.A.]
[(ii)] Guarantor: [Fortis Bank nv-sa]
2. [(i)] Series Number: []
[(ii)] Tranche Number: (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.) []
3. Currency or Currencies: []
4. Form: [Bearer/Exchangeable]
[Bearer/Registered]

5. Principal Amount of Tranche:
- [(i)] Series: []
- [(ii)] Tranche: []
6. [(i)] Issue Price: [] per cent. of the Principal Amount of Tranche [plus accrued interest from *[insert date]* (*in the case of fungible issues only, if applicable*)]
- [(ii)] Net proceeds: [] (*Required only for listed issues*)
7. Dealer's Commission: []
8. Specified Denominations: []
[]
9. [(i)] Issue Date: []
- [(ii)] Interest Commencement Date (if different from the Issue Date): []
10. Maturity Date: [], [subject to adjustment in accordance with the [Following/Modified Following/Preceding] Business Day Convention for which the Relevant Business Day(s) [is/are] [specify cities]]/[The Interest Payment Date falling in [specify month and year]] [The Notes are Perpetual Notes Guaranteed on a Subordinated Basis and accordingly have no Maturity Date]
11. Interest Basis: [[] per cent. Fixed Rate]
[[*specify reference rate*] +/-
[] per cent. Floating Rate]
[Zero Coupon]
[Variable Coupon Amount]
12. Redemption Amount: [Principal Amount/[other]]
13. Change of Interest or Redemption Amount: [*Specify details of any provision for convertibility of Notes into another interest or redemption/ payment basis*]
14. Terms of redemption at the option of the Issuer/ Noteholder or other Issuer's/Noteholders's option: []
[(further particulars specified below)]
15. [(i)] Status of the Notes: []
- [(ii)] Status of the Guarantee: [Senior/Senior Subordinated/Junior Subordinated]
16. Listing: []
17. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

18. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Interests Rate[s]: [] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [] in each year
- (iii) Interest Period Dates: []

- (iv) Fixed Coupon Amount[(s)]: [] per [] in Principal Amount
- (v) Broken Amount(s): *[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)]]*
- (v) Other terms relating to the method of calculating interest for Fixed Interest Rate Notes: *[Not Applicable/give details] (Consider if day count fraction, particularly for Euro denominated issues, should be on an Actual/Actual basis)*

19. Floating Rate Note Provisions

[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph. Also consider whether EURO BBA LIBOR or EURIBOR is the appropriate reference rate after 1 January 1999)

- (i) Interest Determination Date: [[] Business Days in [specify city] prior to] [the first day in each Interest Period/each Interest Payment Date]
- (ii) Benchmark: [EURO BBA LIBOR, EURIBOR or other benchmark]
- (iii) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other (give details)]
- (iv) Relevant Financial Centre: []
- (v) Reference Banks: [specify four]
- (vi) Spread (if applicable): [] per cent. per annum
- (vii) Spread Multiplier (if applicable) []
- (viii) Party responsible for calculating the Interest Rate(s) and Interest Amount(s) (if not the [Agent]): []
- (ix) Relevant Time (if applicable) []
- (x) Screen Rate Determination:
 - Reference Rate: []
 - Interest Determination Date(s): []
 - Relevant Screen Page: []
- (x) Minimum Interest Rate: [] per cent. per annum
- (xi) Maximum Interest Rate: [] per cent. per annum
- (xii) Day Count Fraction: []
- (xiii) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: []

20. Zero Coupon Note Provisions

[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Amortisation Yield (Zero Coupon/High Interest/Low Interest Note): [] per cent. per annum
 - (ii) Reference Price (Zero Coupon/High Interest/Low Interest Note): []
 - (iii) Any other formula/basis of determining amount payable: []
21. **Variable Coupon Amount Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Index/Formula: *[give or annex details]*
 - (ii) Calculation Agent responsible for calculating the interest due: []
 - (iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable: []
 - (iv) Interest Period Dates/Interest Payment Dates: []
 - (v) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ other *(give details)*]
 - (vi) Relevant Financial Centre: []
 - (vii) Minimum Interest Rate: [] per cent. per annum
 - (viii) Maximum Interest Rate: [] per cent. per annum
 - (ix) Day Count Fraction: []

PROVISIONS RELATING TO REDEMPTION

22. **Redemption at the option of the Issuer or other Issuer's option** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Issuer's Option Period: []
 - (ii) Redemption Amount(s) and method, if any, of calculation of such amount(s): []
 - (iii) If redeemable in part:
 - (a) minimum redemption amount: []
 - (b) maximum redemption amount: []
23. **Redemption at the option of the Noteholder or other Noteholder's option** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Noteholder's Option Period: []
 - (ii) Redemption Amount(s) and method, if any, of calculation of such amount(s): []
24. **Final Redemption Amount** [Par/other/see Appendix]

25. **Early Redemption Amount**

Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions): []

26. Instalment Date(s) (if applicable): []

27. Instalment Amount(s) (if applicable): []

28. Unmatured Coupons to become void upon early redemption: []

GENERAL PROVISIONS APPLICABLE TO THE NOTES

29. Form of Notes:

Bearer Notes:

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note.]

[Temporary Global Note exchangeable for Definitive Notes on [] days' notice.]

[Permanent Global Note exchangeable for Definitive Notes on [] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note].

[Registered Notes]

30. Any special provisions relating to Payment Dates: [Not Applicable/give details. Note that this item relates to the place of payment, and not interest period end dates, to which item 19(iv) ("Relevant Financial Centre") relates]

31. Talons to be attached to Notes and, if applicable, the number of Interest Payment Dates between the maturity of each Talon: [No/Yes, maturing every [] Interest Payment Dates]

32. Details relating to Redemption by Instalments: amount of each instalment, date on which each payment is to be made: [Not Applicable/give details]

33. Redenomination, renominisation and reconventioning provisions: [Not Applicable/The provisions annexed to this Pricing Supplement] apply]

34. Consolidation provisions: [Not Applicable/The provisions annexed to this Pricing Supplement] apply]

35. Business Day Jurisdictions for Condition 7(g): []

36. Exchange for Definitive Notes at the request of the holder at the expense of: [the Issuer/Holder]

37. The aggregate principal amount of Notes issued has been translated in U.S. dollars at the rate of [] (for Notes not denominated in U.S. dollars) []

38. Other terms or special conditions: [Not Applicable/give details]

DISTRIBUTION

- 39. (i) If syndicated, names of Managers: [Not Applicable/*give names*]
- (ii) Stabilising Manager (if any): [Not Applicable/*give name*]
- 40. If non-syndicated, name of Dealer: [Not Applicable/*give name*]
- 41. Additional selling restrictions: [Not Applicable/*give details*]

OPERATIONAL INFORMATION

- 42. ISIN Code: []
- 43. Common Code: []
- 44. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/*give name(s) and number(s)*]
- 45. Delivery: Delivery [against/free of] payment
- 46. Calculation Agent: []

[LISTING APPLICATION

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the listing of the U.S.\$3,000,000,000 Euro Medium Term Note Programme of FORTIS IFICO and Fortis Luxembourg Finance S.A. guaranteed by Fortis Bank nv-sa.]

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By:
Duly authorised

Signed on behalf of the Guarantor:

By:
Duly authorised

GENERAL INFORMATION

1. Application has been made to list Notes issued under the Programme on the Luxembourg Stock Exchange. Prior to the listing of any Notes, the constitutional documents of the Issuers and the Guarantor and the legal notice relating to the issue will be registered with the Registrar of the District Court in Luxembourg (*Greffier en chef du tribunal d'Arrondissement de et à Luxembourg*), where copies of these documents may be obtained upon request. Notes may be issued pursuant to the Programme which will not be listed on the Luxembourg Stock Exchange or any other listing authority, stock exchange or quotation system or which will be listed on such listing authority, stock exchange or quotation system as the relevant Issuer and the relevant Dealers may agree.

2. The update of the Programme and the issue of Notes thereunder was authorised by resolutions of the Board of Directors of FORTIS IFICO passed on 13th November, 2001 and the guarantee of the Notes was authorised by a resolution of the Management Committee of the Guarantor passed on 11th November, 2001. The accession to the Programme of Fortis Luxembourg Finance S.A. was authorised by a resolution of the Board of Directors of Fortis Luxembourg Finance S.A. dated 14th November, 2001.

3. Each temporary Global Note, permanent Global Note, Bearer Note, Exchangeable Bearer Note, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 1 65(j) and 1287(a) of the Internal Revenue Code."

4. There are no legal or arbitration proceedings, including any which are pending or threatened, involving either of the Issuers or the Guarantor or any of their respective subsidiaries (if any), which may have or have had during the 12 months prior to the date hereof individually or in the aggregate a significant effect on the financial position of either of the Issuers or the Guarantor and their respective subsidiaries (if any) taken as a whole.

5. Save as disclosed herein, since 31st December 2000, there has been no significant change in the financial or trading position and no material adverse change in the financial position or prospects of either of the Issuers or the Guarantor and their respective subsidiaries (if any) taken as a whole.

6. Bearer Notes and Exchangeable Bearer Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The Common Code given by the Euroclear Operator and Clearstream, Luxembourg, together with the relevant ISIN number for each Series of Notes will be set out in the relevant Pricing Supplement.

7. Each Pricing Supplement will contain, *inter alia*, the following information in respect of the issue of Notes to which it relates: —

- (i) Series No.;
- (ii) principal amount of the Notes;
- (iii) the form of the Notes;
- (iv) issue date and interest commencement date;
- (v) currency and denomination;
- (vi) maturity date/redemption month (if any);
- (vii) issue price;
- (viii) interest rate, spread, the interest period, any maximum or minimum rate of interest and all other information required to calculate interest amounts (including basis for calculating interest payable on Variable Coupon Amount Notes, if applicable);
- (ix) interest payment dates;
- (x) basis for calculating redemption amounts payable in respect of Zero Coupon Notes, Variable Redemption Amount Notes, High Interest Notes or Low Interest Notes, if applicable;
- (xi) the currencies in which payments will be made in respect of Dual Currency Notes;

- (xii) the common code given by the Euroclear Operator and Clearstream, Luxembourg and the ISIN number;
- (xiii) whether the Notes are redeemable prior to their stated maturity at the option of the relevant Issuer or the Guarantor and/or the Noteholders and the terms relating thereto;
- (xiv) the amortisation yield in respect of Zero Coupon Notes;
- (xv) whether or not the Notes will be listed and, if listed, the relevant listing authority, stock exchange and/or quotation system;
- (xvi) the name of any Stabilising Agent;
- (xvii) the rate of exchange (if any) at which the principal amount of the tranche issued has been converted into U.S. dollars;
- (xviii) whether the Guarantee is subordinated or unsubordinated;
- (xix) whether the Notes will be Subordinated Perpetual Notes or not;
- (xx) the details of any additional Dealers appointed in respect of any issue of Notes;
- (xxi) details of the Calculation Agent, if any;
- (xxii) the name of the Principal Paying Agent (if not the Fiscal Agent);
- (xxiii) any additional selling restrictions;
- (xxiv) the name and specified office of the Paying Agent in France (where applicable);
- (xxv) the name of the specialist broker in France (where applicable); and
- (xxvi) any other relevant information which is not inconsistent with the Programme or the terms of the Agency Agreement.

Copies of each Pricing Supplement relating to a Series of Notes which is to be listed on the Luxembourg Stock Exchange will be made freely available at the office of the Listing Agent in Luxembourg.

8. For so long as the Programme remains in effect or any Notes remain outstanding, the following documents (together, in the case of any document not in the English language, with an English translation thereof) will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection and, in the case of paragraphs (v), (vi), and (vii) below, may be obtained free of charge, at the registered offices of the Issuers and at the office of the Fiscal Agent and the Paying Agent in Luxembourg:

- (i) the Agency Agreement (which includes the form of the Global Notes, the Definitive Notes in Bearer and Registered Form, the Guarantees, the Coupons, Receipts and Talons);
- (ii) the Distribution Agreement;
- (iii) the Deed of Covenant;
- (iv) the Memorandum and Articles of Association of each of the Issuers and the Articles of Association of the Guarantor;
- (v) the latest reviewed accounts of FORTISI for the year ended 31st December, 1999, the latest audited accounts of FORTISI for the year ended 31st December, 2000 and the latest audited annual accounts of FORTISL and the Guarantor, for the years ended 31st December, 1999 and 2000 together with any explanatory notes and auditors' report (as the case may be) accompanying such accounts. The Guarantor publishes consolidated and non-consolidated accounts: neither the Issuers nor the Guarantor publish any interim accounts;
- (vi) each Pricing Supplement for Notes which are listed on the Luxembourg Stock Exchange or any other listing authority, stock exchange and/or quotation system; and
- (vii) a copy of this Offering Circular or any further Offering Circular together with any supplement thereto.

9. The business address of all the members of the Board of Directors of FORTIS IFICO is c/o Fortis Fund Services (Cayman) Limited (formerly MeesPierson (Cayman) Limited), P.O. Box 2003 GT, George Town, Grand Cayman, Cayman Islands. The business address of all members of the Board of Directors of Fortis Luxembourg Finance S.A. is c/o BGL MeesPierson Trust, 14 rue Aldringen, L-1118 Luxembourg. The business address of the Board of Directors of the Guarantor is Montagne du Parc 3 B-1000 Brussels, Belgium.

10. The financial statements of FORTIS IFICO for the years ended 31st December, 1998 and 31st December, 2000 have been audited, and for the year 1999 has been reviewed, without qualification by PricewaterhouseCoopers, chartered accountants, in accordance with the laws of the Cayman Islands. The financial statements of Fortis Luxembourg Finance S.A. for the years ended 31st December, 1998, 1999 and 2000 have been audited without qualification by Ernst & Young, Réviseurs d'Entreprises S.C.C., Brussels, represented by Pierre Anciaux, Partner. The 1998 financial statements of the Guarantor have been audited without qualification by Ernst & Young, represented by Pierre Anciaux and Klynveld Peat Marwick Goerdeler Réviseurs d'Entreprises S.C.C., represented by Virgile Nijs, Partner, in accordance with the laws of Belgium.

The 1999 and 2000 financial statements of the Guarantor, except for the 1998 pro forma comparative figures, have been audited without qualification by PricewaterhouseCoopers, Réviseur d'Entreprises S.C.C., represented by Daniel Van Woensel, Partner, Avenue du Cortenberg 75 B-1000 Brussels and Klynveld Peat Marwick Goerdeler Réviseurs d'Entreprises S.C.C., represented by Virgile Nijs, Partner, Avenue du Bourget 40, B-1130 Brussels in accordance with the laws of Belgium.

11. All amounts payable by the Issuers or the Guarantor in respect of the Notes, the Guarantees, the Agency Agreement and the Deed of Covenant may be made free and clear of and without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Cayman Islands, Luxembourg or the Kingdom of Belgium or any political subdivision thereof or any authority therein or thereof having power to tax save as set out in "Taxation".

12. The Memorandum and Articles of Association of FORTIS IFICO have not been amended since its incorporation on 14th June, 1988, save for the special resolution changing the name of FORTIS IFICO dated 31st August, 1999; the Memorandum and Articles of Association of Fortis Luxembourg Finance S.A. have been amended several times since its incorporation on 24th September, 1986 including by amendments published in the "Mémorial, Recueil Spécial des Sociétés et Associations" on 29th September, 1987 (C Nr 241), on 30th December, 1987 (C Nr 385), on 19th March, 1988 (C Nr 71), on 26th May, 1988 (C Nr 140), on 28th August, 1989 (C Nr 236), on 13th June, 1990 (C Nr 194), on 10th January, 1991 (C Nr 9), on 15th June, 1992 (C Nr 258) and on 19th July, 1996 (C Nr 346) as well as by the special resolution changing the name of Fortis Luxembourg Finance S.A. dated 12th November, 2001; Since 23rd June, 1999 the Articles of Association of the Guarantor have been amended on 25th May, 2000 (this amendment was published in the "Moniteur Belge" on 17th June, 2000, reference 20000617-577) and on 23rd November, 2001.

13. The Luxembourg Stock Exchange has allocated the number 9475 to the Programme for listing purposes.

14. Schroder is a trademark of Schroders Holdings plc and is used under licence by Salomon Brothers International Limited.

REGISTERED OFFICES OF THE ISSUERS

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