3.27 THE NETHERLANDS

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I. FRAMEWORK

The Dutch regulatory framework for the issuance of covered bonds initially came into force on 1 July 2008. In order to strengthen the supervisory regime with respect to covered bonds, the Financial Supervision Act was amended in 2014, raising the legal framework for covered bonds to the level of law.

The Dutch regulatory framework has since been amended following the national transposition of the Covered Bond Directive in 2022. The applicable legislation is listed in Table 1 below. The transposition included various amendments made to existing regulations but the main provisions have been moved to a separate, self-contained Implementation Decree. The new regulatory regime came into force on 8 July 2022.

> Table 1: Overview Dutch covered bond legislation

2022
Implementation Act Covered Bonds of 15 December 2021, published on 20 January 2022[1]
Implementation Decree Covered Bonds of 24 May 2022, published on 13 June 2022[2]

II. STRUCTURE OF THE ISSUER

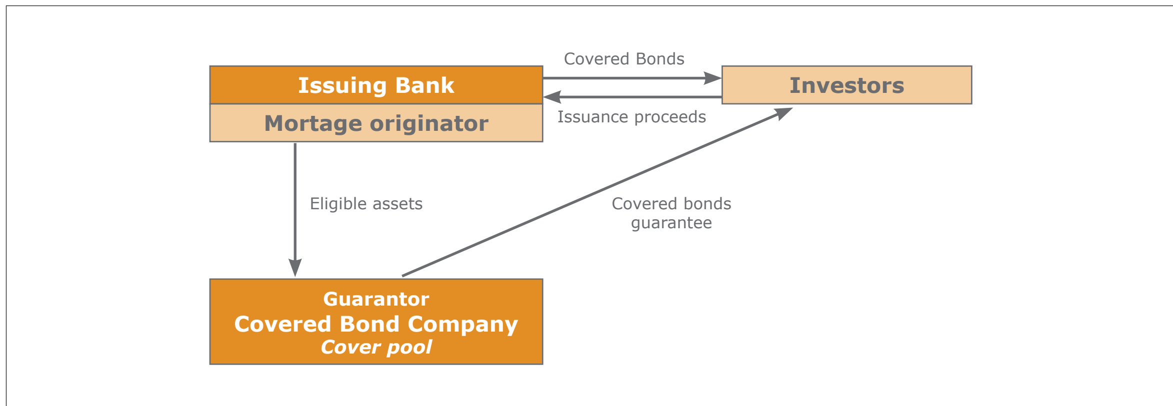
Dutch covered bonds can be issued by licensed banks that are located in the Netherlands, upon permission by the Dutch Central Bank (De Nederlandsche Bank, DNB). To obtain permission, the bank has to prove, among other things, that in the case of a default or resolution of the issuer, covered bondholders and derivative counterparties have a priority claim against the principal and any accrued and future interest on the cover assets securing the liabilities related to the covered bonds. These liabilities encompass the principal and interest payment obligations on the outstanding covered bonds, the payment obligations on derivative contracts in the cover pool, and the expected costs related to the maintenance and administration for the winding-down of the covered bond programme.

The cover assets are secured in favour of the secured creditors via the transfer to a separate legal entity, the Covered Bond Company (CBC). The Covered Bond Company is established exclusively to isolate the cover assets from the other assets of the bank and to perform the necessary activities on behalf of the covered bond programme. The Covered Bond Company can also enter into agreements for the administration and management of the cover assets, as well as for liquidity and risk management purposes. These include derivative contracts, servicer agreements, asset monitor agreements and management agreements.

1 Implementatiewet richtlijn gedekte obligaties, Staatsblad 2022, nr 22.

2 Implementatiebesluit richtlijn gedekte obligaties, Staatsblad 2022, nr 223.

> FIGURE 1: STRUCTURAL OVERVIEW



III. SEGREGATION OF COVER ASSETS AND BANKRUPTCY REMOTENESS OF COVERED BONDS

The assets are transferred to the Covered Bond Company by means of a guarantee support agreement. Under this agreement, the mortgage originator passes on eligible receivables to the Covered Bond Company via an undisclosed or silent assignment. The legal ownership of the mortgage loans is transferred to the Covered Bond Company via a deed of sale and assignment, without notifying the borrowers. The Covered Bond Company guarantees in return to pay interest and principal on the covered bonds to the investors if the issuer defaults (covered bond guarantee). The obligations of the Covered Bond Company are unsubordinated and unguaranteed obligations backed by eligible receivables.

If the issuer defaults on his obligations, a Security Trustee (not shown in the structural overview) may serve an issuer acceleration notice to the issuer and a notice to pay to the Covered Bond Company in line with the guarantee. As such, the covered bonds do not accelerate against the Covered Bond Company if the issuer defaults, while the bondholders have full recourse to the assets of the Covered Bond Company. If the Covered Bond Company defaults on its payment obligations, the covered bonds may accelerate (hard and soft bullet covered bonds) or may become pass-through, which is conditional on pool sales being unsuccessful and a breach of the amortisation test (conditional pass-through covered bonds).

To ensure bankruptcy remoteness, the bank, or any related group entity, cannot hold shares in the Covered Bond Company and has no policy-determining control, nor any other ownership interests towards this legal entity. Furthermore, the bank should always be able to identify the cover assets, to assure that it can determine at all times which assets have been transferred to the Covered Bond Company, and are available in the event of a bankruptcy of the bank. Moreover, the Dutch covered bond rules assure that neither a bankruptcy nor a resolution of the bank issuing covered bonds would result in a change in the rights of the covered bondholders with respect to a third party in relation to the covered bonds.

IV. REGISTRATION REQUIREMENTS AND COVER ASSETS

At the time of registration of a covered bond programme at the Dutch Central Bank, the issuing entity has to provide a wealth of information to the supervisor, including on the specific features of the covered bond programme. The required information is extensive and includes, amongst others, the maximum size of the programme, the rights and obligations of the Covered Bond Company, the agreements with various parties, the type and composition of cover assets, the country exposure of the cover assets and the law by which they are regulated, valuation of the cover assets, the extension period and criteria that trigger extension, as well as various risk management and reporting procedures. All information necessary to verify the programme meets the legal requirements needs to be provided to the DNB.

The most noteworthy programme features are:

> The specific **nature of the cover pool assets**. At least 80% of the cover pool shall include one of the cover assets set out in CRR Article 129(1)(a)-(g) as primary assets. Up to 20% of the cover pool may include one or more of the other cover assets set out in CRR article 129 (1)(a)-(g) as substitute assets. Currently, all Dutch covered bond programmes solely use Dutch residential mortgages as primary assets.

> The **redemption profile of the covered bonds**, i.e., whether the covered bonds have a hard-bullet, soft-bullet, or (conditional) pass-through structure and **the criteria for triggering an extension**.

Prior to the transposition of the Covered Bond Directive, the Dutch law allowed issuance from a single covered bond programme with a hard-bullet as well as a soft-bullet structure with an extension period up to 24 months. Conditional pass-through covered bonds needed to be issued from a separate programme.

As of 8 July 2022, there is no longer such an explicit separation required in the regulatory framework. However, the different maturity structures mean that in practice programmes have to be separated anyways.

The covered bond programmes of ABN AMRO Bank and ING Bank contain mainly soft-bullet issuances. A few covered bonds from these two issuers that have been privately placed (includ ing some denominated in foreign currencies) still have hard-bullet structures. Rabobank and de Volksbank only have soft-bullet covered bonds outstanding. NN Bank and Achmea Bank also only have soft-bullet covered bonds outstanding following the conversion of its conditional pass-through covered bonds to the soft-bullet format in 2022 and 2023 respectively. Aegon Bank, NIBC Bank and Van Lanschot Kempen still have conditional pass-through covered bonds and soft-bullet covered bonds outstanding after they established soft-bullet programmes in the past few years.

Primary cover assets

The cover assets should meet the CRR article 129 requirements, meaning that the following assets are eligible:

> Exposures to or guaranteed by central governments, the European System of Central Banks (ESCB) central banks, public sector entities, regional governments or local authorities in the Union as referred to in CRR Article 129, paragraph 1(a);

> Exposures to or guaranteed by third country central governments, third-country central banks, multilateral development banks, international organisations that qualify for the credit quality step 1 and exposures to or guaranteed by third-country public sector entities, third-country regional governments or third-country local authorities that meet certain requirements as referred to in CRR Article 129, paragraph 1(b);

> Exposures to credit institutions that qualify for credit quality step 1 or credit quality step 2, or exposures to credit institutions that qualify for credit quality step 3 where those exposures are in the form of certain short-term deposits and derivative contracts as referred to in CRR Article 129, paragraph 1(c);

> Residential mortgages up to an 80% LTV ratio as referred to in CRR Article 129, paragraph 1(d) and residential loans fully guaranteed by an eligible protection provider as referred to in 1(e);

> Commercial mortgages up to a 60% LTV ratio, though with the possibility for the LTV ratio to rise to 70% as referred to in CRR Article 129, paragraph 1(f);

> Ship loans up to a 60% LTV ratio as referred to in CRR Article 129, paragraph 1(g).

By transposing only point (a) of Article 6(1) of the Directive, it is ensured that Dutch covered bonds meet the CRR Article 129 asset eligibility requirements and can be labelled European Covered Bonds (Premium). Assets other than those listed in CRR Article 129 paragraph 1(a)-(g) are not eligible as cover assets. However, the

Implementation Decree contains the possibility for assets listed in Article 6(1) (b) and (c) of the Directive to be made eligible by way of Ministerial Regulation.

The new Dutch Covered Bond Legislation requires that at least 80% of the cover pool shall consist of one type of the primary cover assets as set out in CRR Article 129, paragraph 1(a)-(g). To avoid confusion, Dutch mortgage loans carrying a guarantee from the government-sponsored Nationale Hypotheek Garantie (NHG) scheme, are treated as normal residential mortgages in all current Dutch covered bond programmes, subject to an 80% LTV cut-off for certain asset coverage requirement purposes.

Substitute cover assets

The Dutch Covered Bond Law also allows for substitution assets to be included as cover assets. However, the inclusion of these type of assets is restricted to a maximum of 20% of the total nominal value of the cover pool assets. Eligible as substitution assets are the cover assets described above, which are those as referred to in CRR Article 129, paragraph 1(a)-(g).

Country exposure of cover asset

The law notes that the debtor of the cover asset as well as the collateral related to the cover assets need to be located in the EU or the European Economic Area. Currently, primary assets backing Dutch covered bond programmes exclusively consist of Dutch residential mortgage loans.

V. VALUATION AND LTV CRITERIA

The Dutch covered bond law requires that loans backed by immovable property, such as residential and commercial mortgages, and ships should meet the (monitoring and valuation) requirements set out in CRR article 208. Article 208 specifically concerns requirements for immovable property and includes, among others, legal enforceability as well as sound underwriting criteria. Moreover, the article requires the monitoring of commercial and ship loan property values every year and of residential mortgage loans every three years. However, CRR Article 129(3) states that monitoring of property values needs to be carried out frequently and at least on an annual basis for all immovable property and ship collateral. The Dutch law does not explicitly reference Article 129(3). However, an explanatory note to the Decree states that the collateral underlying residential mortgages should be valued not every three years but at least annually (which was already the practice under the old Dutch law), making reference to Article 129(3).

Finally, in case of significant changes in market conditions, more frequent monitoring might be required whilst issuers can also use statistical methods to monitor property values in order to comply with the requirements.

The Dutch covered bond law requires assets to be valued at or below the market value or the mortgage lending value. The value can be the initial valuation at the moment of mortgage origination but also any subsequent valuation or revaluation as part of the monitoring requirements. For any appraisal by a valuation agent, the law imposes certain requirements. For instance, the valuation agent needs to possess the necessary qualifications, ability and experience, and must be independent from the credit decision process.

In practice, the value of Dutch property is based on the market value. Most covered bond issuers take a prudent approach when monitoring and adjusting the value of the properties that are included in cover pools. For example: all issuers fully take into account any house price decreases, while most issuers adjust for house price increases only partially. Indexation takes place on a monthly basis by means of the house price average in the Netherlands according to the Land Registry house price index or other recognised methods.

In order to comply with the CRR requirements, residential mortgages with an LTV higher than 80% will only be recognised up to an 80% LTV. In a situation where mortgages with an LTV of higher than 80% are included in the cover pool, this mortgage loan will only count for a maximum of 80% in the asset cover test. The difference between the actual (higher) LTV and the 80% maximum will serve as additional credit enhancement.

No Loan-to-Income (LTI) thresholds are applicable in the Dutch covered bond regulation or programmes, but since 2013, all new Dutch mortgages have been subject to strict statutory LTI maximums at origination.

VI. ASSET – LIABILITY MANAGEMENT

The Dutch covered bond law includes several requirements and options related to asset-liability management. These include requirements related to over-collateralisation (OC), liquidity coverage, derivative contracts and covered bonds with extendable maturities.

Regarding OC, the Dutch Covered Bond Law provides for the following asset coverage requirements:

- The total nominal value of the payment claims arising from the cover assets belonging to the cover pool is at least equal to the total nominal value of the liabilities (which includes payment obligations stemming from principal and interest payments on outstanding covered bonds, payment obligations related to derivative contracts in the cover pool and expected costs related to maintenance and management for the potential run-off of the covered bond programme).
- The total nominal value of the cover assets has to be equal to at least 100% of the total nominal value of the outstanding registered covered bonds (the so-called 'nominal principle'). Furthermore, the total nominal value of the cover assets needs to be at least 5% higher than the total amount of outstanding registered covered bonds. When calculating the second 105% requirement, Article 129 (1) a-g has to be taken into account, which means that the 80% LTV cut-off needs to be applied.

Uncollateralised claims where a default is considered to have occurred (pursuant to Article 178 of Regulation (EU) No 575/2013) do not contribute to coverage.

Liquidity coverage requirements

Issuers, furthermore, need to ensure that the cover pool always includes a liquidity buffer composed of sufficient liquid assets to cover the net liquidity outflow of the covered bond programme. It should cover the cumulative net liquidity outflows for the next 180 days (i.e., coupon and redemption obligations and payments related to derivate contracts minus all income stemming from assets included in the cover pool). The liquidity buffer requirement with respect to redemption payments is not applicable for covered bonds with extendable maturities (soft-bullet or conditional pass-through), for which the extended maturity date will be taken into account.

The liquid assets allowed remain limited to those assets qualifying as level 1, level 2A and level 2B of the LCR Regulation (valued in accordance with that delegated regulation and not issued by the issuer itself, its parent company, its subsidiary, another subsidiary of its parent company, or by a securitisation SPV with close links to the issuing bank) as well as short-term exposures to credit institutions that qualify for credit quality step 1 and 2 (i.e. a minimum credit rating of A-) or short-term deposits to credit institutions that qualify for credit quality steps 1,2, or 3, in accordance with CRR article 129 (1), point c.

Extendable maturity structures

In order to mitigate liquidity risks, banks may issue covered bonds with an extendable maturity if, prior to the first issuance of the covered bond program, the contractual terms of that program provide that extension of the maturity may not be made at the discretion of the bank and shall occur only if:

1. There is a breach of contract or default of payment by the bank or any act to that effect, there is a liquidation, dissolution or restructuring of debts of the bank or an arrangement with creditors, or a resolution measure as referred to in Article 3A:1 of the Implementation Act has been applied to the bank or the bank has been declared bankrupt; and
2. The legal entity to which the cover assets have been transferred has insufficient funds on the maturity date of the covered bonds to repay the principal amount of that covered bond, the legal entity cannot meet any

of the coverage requirements referred to in Article 40g(1) and (2) of the Implementation Decree, or the legal entity cannot meet any other contractually agreed requirement with respect to securing the coverage.

The law does not stipulate details about the length of extensions and neither specifies the role of covered bond holders and/or the CBC. Banks can determine this contractually.

A bank that issues a covered bond whose maturity may be extended shall, upon issuance of the covered bond, provide information about 1) the conditions for extending the maturity 2) the impact of a bankruptcy or resolution of the bank on the extension of the maturity and 3) the role of DNB with respect to the extension of the maturity. In fact, DNB checks whether all the conditions of the law, including the requirements related to maturity extensions, have been met when granting permission for a covered bond programme. However, once a covered bond programme has been approved by DNB and a maturity extension is triggered, DNB has no role as supervisor, although it must be informed in a timely manner.

Other conditions are that a bank that issues a covered bond shall ensure that the maturity date of that covered bond can be determined at all times, while a maturity extension shall not affect the order in which covered bond holders may recover their claims and shall not reverse the order of the original maturity schedule of the covered bond programme if the bank has been subject to a resolution measure or has been declared bankrupt. A maturity extension shall also not affect the dual recourse and bankruptcy remoteness principles.

Use of derivative contracts

The Covered Bond Company can only enter into derivative contracts (such as currency swaps, interest rate swaps and total return swaps) if these support the risk management of the programme in favour of the registered covered bondholders. A derivative contract may only be entered into if the contract is sufficiently documented, while the counterparty to these agreements should not have the right to terminate the contract or to suspend its obligations under the contract if the creditworthiness of the issuing bank deteriorates. Furthermore, the contract should be concluded with a financial institution that is subject to supervision. Finally, if the counterparty itself no longer meets the minimum creditworthiness requirements, it should provide for sufficient collateral or replace itself.

Another requirement is that the volume of a derivative contract shall be adjusted if there is a reduction in the risk to which the derivative contract relates. A derivative contract shall be removed from the cover pool if the risk to the holders of covered bonds ceases to exist.

As a result of changes in especially the regulatory landscape, the use of derivative contracts to mitigate (interest rate) risks associated with the registered covered bonds has diminished in importance in recent years. Instead, several issuers decided to introduce interest reserve requirements, minimum mortgage interest rate requirements and/or to pledge additional collateral.

VII. TRANSPARENCY

Before registration of its programme, the covered bond issuer already needs to report a lot of detailed information to the supervisor on the specific features of the covered bond programme (see paragraph III). After registration, the law stipulates that the issuing entity needs to continue to provide information to DNB on a regular basis (see more details in paragraph VIII).

The Dutch law also requires issuers to provide investors with information stipulated in Article 14 of the Directive at least on a quarterly basis, which will also be published on their websites. This includes information about the value of the cover pool and outstanding covered bonds; a list of ISINs for all covered bonds issued; the geographical distribution of and type of cover assets, their size and valuation method; details related to all kinds of risk metrics (market risk, interest rate risk, currency risk, credit and liquidity risk); maturity structure of the cover assets and covered bonds; levels of required and available coverage, and levels of statutory, contractual and voluntary OC, and the percentage of loans in default.

All Dutch registered covered bond issuers currently publish investor reports on a monthly basis. These reports can be found on their websites, while there is also a link on the website of the Dutch Association of Covered Bond Issuers (www.dacb.nl) to these reports and via the national information pages on the Covered Bond Label website. The Dutch issuers have also implemented the Harmonised Transparency Template (HTT). Finally, DNB keeps a public register of approved Dutch covered bond programmes.

VIII. COVER POOL MONITOR AND BANKING SUPERVISION

Cover pool monitor

The issuer has to appoint an internal or external **cover pool monitor** before the first issuance under a covered bond programme. The cover pool monitor has to check, ahead of issuance and at least annually thereafter, that the regulatory requirements on the structural features of the covered bonds are met (e.g., asset segregation, cover assets, derivative contracts, maturity extension, asset coverage and liquidity coverage). The functions of a cover pool monitor can be assigned to different internal and external parties, but the asset coverage and liquidity coverage requirements have to be checked by an external accountant.

An external cover pool monitor is fully independent and has no links with the bank or the external accountant of the bank. An internal cover pool monitor can have ties with the issuing bank, including the external accountant of the bank, but has to be independent from the credit decision process of the bank. The internal cover pool monitor has direct access to the supervisory board of the bank, and cannot be removed from its function as cover pool monitor without prior approval of the supervisory board (or a comparable body). The internal cover pool monitor provisions are in line with the existing Dutch practice. The bank's internal processes and controls ensure that the legal requirements related to the issuance of covered bonds are met, while the external accountant of the bank checks the compliance with the asset coverage and liquidity coverage requirements.

In both cases, the bank that issues covered bonds has to ensure that the checks of the asset coverage and liquidity coverage requirements will continue to take place in the event of a resolution or bankruptcy of the bank. The bank will report annually to the Dutch Central Bank on the outcome of the checks on the asset coverage and liquidity coverage requirements. Besides, the cover pool monitor should be granted access to all information necessary for the performance of its duties.

Special supervision

Dutch covered bond programmes are also subject to **special supervision** of the Dutch Central Bank, which has to grant permission to a bank that wants to issue covered bonds. Permission will only be granted, if all regulatory requirements related to the issuance of covered bonds are met. To obtain permission the bank has to prove that it has:

- An adequate programme of operations setting out the issuance of covered bonds;
- Adequate policies, processes and methodologies for the approval, amendment, renewal and refinancing of assets included in the cover pool;
- Management and staff dedicated to the covered bond programme which have adequate qualifications and knowledge regarding the issuance of covered bonds and the administration of the covered bond programme; and
- An adequate administrative set-up of the cover pool and the monitoring thereof.

To this purpose, the bank must provide the Dutch Central Bank with an independent legal opinion, allowing the supervisor to verify that the asset segregation requirements are met. The agreements of the Covered Bond Company with its manager, and the agreement with the cover pool monitor or accountant also have to be made available. Besides, the issuing bank must deliver a written statement by the manager of the bank that all regulatory requirements are met, needed for permission to issue covered bonds, to secure the pay-

ment obligations related to the covered bonds, and on the regular provision of information to the covered bond investors and supervisory authority. Such a written statement not only has to be delivered to the Dutch Central Bank upon the request for permission, but also on an annual basis thereafter.

A bank permitted to issue covered bonds will immediately notify the Dutch Central Bank of any changes in the agreements related to the established Covered Bond Company or the appointment of the cover pool monitor. Furthermore, the Dutch Central Bank has to be notified upfront if the bank intends to make significant changes to the terms and conditions applicable to the covered bonds.

The issuing bank also has to meet the regular reporting requirements towards the Dutch Central Bank, allowing the central bank to assess that the issuing bank meets the regulatory requirements for the issuance of covered bonds. This includes information related to:

- The coverage requirements, including a) the composition of the cover pool by at least 80% primary assets, and maximum 20% substitution assets, and b) the 100% nominal coverage requirement of all payment obligations and 105% nominal coverage requirement of the outstanding covered bonds;
- The monitoring of property values and property valuation, property insurance and the geographical location of the debtor of the cover assets;
- Derivative contracts included in the cover pool;
- The 180 days liquidity buffer;
- Extendable maturities;
- Other information required by the Dutch Central Bank to assess that the regulatory requirements for the issuance of covered bonds are met.

The data regarding the asset coverage requirements and liquidity coverage requirements have to be provided at the start of the covered bond programme and quarterly thereafter. The data regarding the property valuation, insurance and location, derivative contracts, extendable maturities and other required information have to be provided at the start of the programme, and only thereafter if the information has changed or upon request of the Dutch Central Bank.

Penalties

The Dutch Central Bank is allowed to (partially) revoke, change or attach further requirements to the permission to issue covered bonds if the bank a) would make an application thereto, b) has provided incorrect or incomplete information upon the request for permission, or c) concealed circumstances that would have led to a denial of such permission, or d) would no longer comply with the regulatory conditions for permission to issue covered bonds.

In the event of a breach of the regulatory provisions for covered bond issuance, the Dutch Central Bank can also issue a public warning, if necessary, stating the considerations that led to such a warning. Besides, the supervisor can oblige the issuer, by means of an order, to take a certain course of action regarding the points indicated in the order, within a reasonable time.

The supervisory authority is also allowed to impose an administrative fine in the event of a breach of the covered bond rules. Financial fines can for instance be imposed if a credit institution issues covered bonds without obtaining permission from the Dutch Central Bank, or if the covered bond issuer fails to comply with the regulatory requirements on asset coverage, transparency, asset segregation, cover pool composition, asset eligibility, derivative contracts in the cover pool, cover pool liquidity buffer, documentation, extendable maturity structures, cover pool monitor or labelling.

When determining an administrative fine, the supervisor will take certain circumstances into account, such as the gravity and duration of the breach, the advantages gained by the breach, the losses caused to third parties, the consequences to the financial system, the degree to which the issuer is responsible for the breach and any previous breaches, the cooperation of the issuer with the supervisor and the measures taken after a breach to prevent it from happening again.

Post issuer insolvency or resolution

The Dutch covered bond legislation does not provide for the appointment of a special administrator in the event of issuer insolvency or resolution. However, the Dutch law requires co-operation and exchange of data and intelligence between the Dutch supervisor with European authorities, if necessary for the performance of their duties. This would also apply in the situation of a resolution of a credit institution issuing covered bonds.

Disclosures by the supervisor

The Dutch Central Bank has to publish on its website:

- The text of the Dutch national laws, regulations, administrative rules and general guidance adopted in relation to the issue of covered bonds;
- An up-to-date list of credit institutions permitted by the Dutch Central Bank to issue covered bonds in relation to a covered bond programme;
- An up-to-date list of covered bonds entitles to use the label European Covered Bond, and an up-to-date list of covered bonds entitled to use the label European Covered Bond (Premium). In practice, solely the label European Covered Bond (Premium) can be used by covered bonds meeting the amended Dutch legal requirements effective per 8 July 2022.

IX. RISK-WEIGHTING & COMPLIANCE WITH EUROPEAN LEGISLATION

The Dutch covered bond law only allows covered bonds that comply with the CBD as well as with CRR Article 129. As such (and as stated above), solely the label European Covered Bond (Premium) can be used by covered bond programmes that are aligned with the Dutch covered bond law effective per 8 July 2022. This also implies that covered bonds issued under these programmes are eligible for a 10% preferential risk weight treatment under the Standardized Approach. These bonds are also Solvency II and ECBC Label compliant. Furthermore, they fall within the Level 1 category of the LCR.

Dutch covered bonds issued until 7 July 2022 under programmes that are not aligned with the new Dutch covered bond law, can benefit from the transition measures that have been implemented. These include that Articles 3:33a(1) to (3) and 3:33b(1) and (2) of the Financial Supervision Act will not apply to them. Instead, they need to comply with the Article 3:33a that applied prior to the entry into force of the new Act, while they also need to comply with the reporting requirements outlined in Article 14 of the Directive. The Dutch law also allows for tap issuance of covered bonds issued under these programmes before 7 July 2022. This reflects Article 30(2) of the Directive. Such taps are only allowed until 7 July 2024. The fact that these outstanding covered bonds are grandfathered implies that they still benefit from a similar preferential treatment as before.

X. ADDITIONAL INFORMATION

More information on Dutch covered bonds can be found on the website of the Dutch Association of Covered Bond Issuers (www.dacb.nl), which was established in 2011 and has the following objectives:

> To represent the interests of the Dutch issuers in discussions with legislative and regulatory authorities;

> To provide investors with information about the Dutch covered bond market;

> To participate on behalf of the Dutch issuers in international covered bond organisations like the ECBC;

> To continuously improve the quality of the Dutch covered bond product offering.

Issuers: ABN AMRO Bank, Achmea Bank, Aegon Bank, Van Lanschot Kempen, ING Bank, NIBC Bank, NN Bank, Rabobank, de Volksbank.

COVERED BOND LABEL : ING Bank N.V. (2 pools), ABN AMRO Bank N.V. (1 pool), de Volksbank N.V. (1 pool), NIBC Bank N.V. (2 pools), Van Lanschot Kempen N.V. (2 pools), Aegon Bank N.V. (2 pools), Coöperatieve Rabobank U.A. (1 pool), Nationale-Nederlanden Bank N.V. (1 pool), Achmea Bank N.V. (2 pools)

For the most up-to-date information, please consult the new ECBC Covered Bond Comparative Database webpage on the Covered Bond Label website www.coveredbondlabel.com or via the following QR code: