

De Nederlandsche Bank  
Eurosystem

*Amsterdam*  
P.O.Box 98  
1000AB Amsterdam

Dr. J. Sijbrand  
Member of the Governing Board

The Netherlands Bankers' Association  
For the attention of Mr B. Staal, Chairman  
Gustav Mahlerplein 29-35  
Postbus 7400  
1007JK AMSTERDAM

Date  
25 January 2012

Dear Mr Staal,

Further to an exchange of thoughts between DNB and the Netherlands Bankers' Association about the application of the Basel 1 floor during 2012, I use this letter to lay down the agreement which DNB and the Netherlands Bankers' Association have made on the subject. The agreement will also be published in the Open Book Portal on DNB's website so that it can be consulted by all supervised institutions. I would ask you to communicate this agreement through the appropriate channels within the Netherlands Bankers' Association to all affiliated institutions.

As from 1 January 2012, the legal basis for the application of the Basel 1 floor, both in the relevant European legislation (the recast Banking Directive or CRD) and in the Netherlands legislation (Decree on the Implementation of the Basel II Capital Accord (*Besluit implementatie kapitaalakkoord Bazel 2*), section VIIa), has ceased to be effective. However, the European Commission's proposal for new prudential requirements for banks (CRD IV) includes a provision for the reintroduction of the Basel 1 floor as from the date of entry into force of the relevant Regulation (current expectations are that this will be 1 January 2013).

In order to prevent the supervised institutions from starting to discard the required systems and capacity for the calculation of such a floor and from subsequently having to make additional efforts to reinstate such systems and capacity in order to be able to meet the obligations ensuing from a reintroduced floor as from 1 January 2013, DNB and the Netherlands Bankers' Association have agreed that during 2012 the institutions will calculate and report the floor on a voluntary basis.

Yours sincerely,  
De Nederlandsche Bank N.V.

/s/ J. Sijbrand

*Central bank and prudential supervisor of financial institutions*

2012/43165

Westeinde 1  
1017 ZN Amsterdam  
Telephone +31 (0)20 524 9111

www.dnb.nl  
De Nederlandsche Bank NV  
Trade Register Amsterdam 3300 3396