



**PROCEDURE ON  
PRIVATE  
INVESTMENT  
TRANSACTIONS**

**NIBC**

DATE  
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CONTENTS	PAGE
<b>1. INTRODUCTION</b>	<b>3</b>
1.1. General	3
1.2. Insiders and non-insiders exemption	3
1.3. Principles	3
1.4. Effective date	4
<b>2. GENERAL RULES OF CONDUCT</b>	<b>4</b>
2.1. Rules of conduct	4
<b>3. SUPPLEMENTARY RULES OF CONDUCT FOR INSIDERS</b>	<b>6</b>
3.1. General	6
3.2. Rules of conduct concerning investing for one's own account	6
3.3. Rules of conduct concerning third party discretionary management	7
3.4. Rules of conduct concerning hedge funds, private equity funds and other alternative assets	7
3.5. Members of the Managing Board	8
<b>4. TRANSACTIONS IN NIBC (RELATED) PRODUCTS AND NIBC CHOICE</b>	<b>9</b>
4.1. General	9
4.2. Rules of conduct concerning NIBC products and NIBC related products	9
4.3. Rules of conduct concerning transactions under NIBC Choice programme	10
4.4. Primary and secondary insiders	10
<b>5. OTHER PROVISIONS</b>	<b>11</b>
5.1. Derivatives	11
5.2. Foreign Supervisory Board Members	11
5.3. Investigations related to adherence of the PPIT	12
5.4. Breaches and sanctions in relation to the PPIT	12
5.5. Advice and objections	12
5.6. Exceptions	12
Appendix 1 Terms and conditions	13
Appendix 2 Insider register	16
Appendix 3 Restricted List	17
Appendix 4 Investigations in relation to the adherence of the PPIT	19
Appendix 5 Breaches and sanctions in relation to the PPIT	19
Appendix 6 Frequently asked questions	20

Note to the Procedure Private Investment Transactions: The text of this Procedure contains a number of words and phrases printed in **bold**. This indicates that the word/phrase concerned is defined in more detail in Appendix 1.

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## 1. INTRODUCTION

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### 1.1. General

As soon as a staff member of **NIBC** wants to conduct a **private investment transaction**, it is necessary to be familiar with the specific rules that apply. These rules are laid down in the underlying Procedure on Private Investment Transactions (PPIT) which also describes how sensitive/ confidential information is handled. Based on this procedure, general rules are in place applicable to all **staff members** of NIBC and supplementary rules for **insiders**.

The PPIT deals with three issues:

- prevention (any semblance) of executing investment transaction by using **inside information**;
- prevention or managing the existence of **conflicts of interest**; and
- establishing transparency with regard to participation of staff members in listed funds and transactions in **NIBC products** and **NIBC related products**.

### 1.2. Insiders and non-insiders exemption

The PPIT distinguishes between non-insiders and insiders. Non-insiders, are exempted from:

- notifying their securities account to NIBC;
- checking the pre-clearance tool; and
- sending duplicate notices to Group Compliance.

For insiders, the abovementioned exemption only applies if and when conducting private investment transactions in the following financial instruments:

- (semi-) **open-end** investment funds;
- financial products whose value movement depends (virtually) entirely on an official index in OECD-member countries<sup>1</sup>;
- FX transactions; and
- government bonds in OECD member-countries.

Insiders, when they want to conduct private investment transactions, have two options when conducting transactions (see section 3.2 and 3.3).

### 1.3. Principles

You are prohibited from trading in **financial instruments** when you possess information that could affect the price of these instruments.

The PPIT is based on the following principles:

- the protection of staff members against misunderstandings;

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<sup>1</sup> The following countries are considered OECD countries: Australia, Belgium, Canada, Denmark, Germany, the UK, Finland, France, Greece, Hungary, Iceland, Ireland, Italy, Japan, Luxemburg, Mexico, the Netherlands, New Zealand, Norway, Austria, Poland, Portugal, Slovakia, Spain, the Czech Republic, Turkey, the United States, South Korea, Sweden, Switzerland.

- staff members should be aware of the contents of this procedure and must adhere to the rules of conduct when executing private investment transactions. It is not permitted to circumvent the PPIT via third parties (e.g. by inciting or recommending a transaction);
- staff members are not allowed to disclose inside information and other sensitive/ confidential information regarding NIBC or others to third parties or other staff members and may use such information solely to perform their jobs appropriately;
- any breach of this procedure may lead to employment sanctions and/or criminal sanctions;
- for a period of 6 months after termination of their employment contract or discharge of their position, staff members are bound to act in accordance with the PPIT.

You do not discuss NIBC related and client related issues with outside parties such as family, friends, business partners and clients, nor with colleagues unless you need to do so for work related issues.

#### 1.4. Effective date

The amended PPIT comes into effect on June 1 2009. It replaces the Procedure Private Investment Transactions (PPIT) issued on October 1<sup>st</sup> 2007. NIBC reserves the right to amend this procedure from time to time if circumstances (e.g. changes to legislation and regulations or progressive insight) make this necessary. NIBC will follow the appropriate procedures for this and will notify its staff members immediately.

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## 2. GENERAL RULES OF CONDUCT

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### 2.1. Rules of conduct

The following general rules of conduct apply to all staff members of NIBC (whether insider or not):

- Staff members are prohibited from acting on the basis of inside information:
  - it is not permitted to effect (or try to effect) a private investment transaction, or encourage a third party to do so, by using inside information;
    - o exception to this rule are transactions in order to comply with an enforceable obligation which was already in existence at the moment at which the staff member obtained inside information;
  - staff members are not allowed to effect transactions using knowledge obtained from an as yet unpublished analysis (including analysis compiled by/on behalf of NIBC);
  - staff members must avoid the appearance of acting on the basis of inside information or other sensitive information;
  - whether a transaction is effected, directly or indirectly, for personal account or for the account of a third party is not relevant.

You have to keep inside information strictly secret and you have to avoid (the appearance) of acting on the basis of inside information. After all, these issues relate to the integrity of each staff member and, as a result, NIBC as a whole.

- Staff members shall observe secrecy:
  - staff members who have access to inside information or other sensitive information are not permitted to disclose this information to other staff members or third parties;
    - exception to this rule is when disclosure is necessary for the proper performance of the staff member's duty or when he is under a statutory obligation to do so.
- Staff members must refrain from market manipulation:
  - it is not allowed to effect or bring about transactions or trades in financial instruments:
    - a. that send out a false or misleading signal with regard to the supply of, demand for or the quotation of those financial instruments, or;
    - b. in which one or more persons cooperate to keep the quotation of the financial instrument at an abnormal or artificial level, or;
    - c. in which illegitimate constructions or any form of deceit or deception are used, and;
  - it is not allowed to disseminate information that gives or is likely to give false or misleading information (signals) with regard to financial instruments, of which the staff member knew or should have known that this information was incorrect or misleading.
- Staff members shall exercise due care in handling information:
  - staff members shall exercise the utmost care in handling information to which they have access as a result of their job/position;
  - work related information must be kept separate from staff members' private life;
  - staff members must avoid too close an involvement in a private capacity with NIBC's clients or other business relationships. There must never be any link between the investment transactions of the staff member and those of the client (other than transactions in NIBC products and NIBC related products);
  - a staff member may not use for his personal benefit any information advantage obtained as a result of his function/job or otherwise.

Our clients, business partners as well as NIBC as an employer must be able to count on you to treat the information entrusted to you with discretion. You must avoid every semblance of improper use of sensitive information and any conflicts of interests.

- Staff members shall exercise restraint in private investment transactions:
  - staff members shall refrain from **financial instruments transactions** that could be regarded as excessive or to a large extent **speculative**.

Staff members are not allowed to excessive trading. Furthermore a transaction must never place a staff member in financial difficulties. Several criteria are relevant in this respect, amongst which the type of financial instruments (also in relation to the staff member's financial position and/or wealth), the timing of the transaction, the function of the staff member and NIBC's role in relation to the financial instruments.

- Staff members must observe reporting obligations:
  - staff members must report their knowledge of sensitive/ confidential information to the line manager, who will report inside information to the Head Business Unit (BU) Group Compliance;
  - if requested to do so by the BU Group Compliance, the staff member needs to provide to the BU Group Compliance (directly or through his agent or asset manager) the relevant information regarding a private investment transaction effected by the staff member or on behalf of the staff member.

- Staff members must observe the following obligations in case of an issue of financial instruments:
  - staff members are not allowed to subscribe to an issue of financial instruments or a **stock exchange** introduction in which NIBC is involved in some way;
  - an exception is the situation where staff members wish to exercise a subscription right in respect of a (subscription) rights issue. In that case staff members are not permitted to sell shares obtained from such issues prior to the payment date.
- Staff members must refrain from front-running:
  - staff members are not allowed to perform private investment transactions in anticipation or on the basis of orders by clients or NIBC itself in the same fund.
- Staff members shall instruct affiliated parties:
  - staff members must ensure that agents and asset managers (who belong to the group of affiliated parties) issue a written declaration form stating that they will abide by the rules applying for the staff member;
  - staff members must make efforts to ensure that other than the above-mentioned affiliated parties also act in accordance with the PPIT;
  - staff members must ensure that affiliated parties provide relevant information regarding private investment transaction at first request by the BU Group Compliance.

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### 3. SUPPLEMENTARY RULES OF CONDUCT FOR INSIDERS

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#### 3.1. General

Insiders, when deciding to conduct private investment transactions, need to adhere to the following supplementary rules. In order to comply, insiders can choose from two options. Either by making use of an own managed account or via discretionary management (see paragraphs 3.2 and 3.3).

When carrying out financial instruments transactions other than transactions in instruments as described in section 1,2, the staff member must obey to the **holding period** of 30 calendar days applicable to each position. For certain staff members the Managing Board can set a different holding period.

#### 3.2. Rules of conduct concerning investing for one's own account

Investing for one's own account includes investing in financial instruments on the basis of power of attorney and investing by power of decision.

Insiders, with the exception of members of the Managing Board (see paragraph 3.5) are allowed to effect private investment transactions for their own account within the rules set in the preceding chapters. In addition to this the following rules of conduct apply with regard to investing for one's own account:

- the BU Group Compliance has to give permission for the use of the financial instruments account where the transactions take place, prior to its use. For this purpose the insider must notify the securities account to the BU Group Compliance;

- the insider must ensure that duplicate notices and/or e-mail notices of execution of investment transactions, as well as bi-annual portfolio statements (baps) are sent directly to the BU Group Compliance;
- prior to the transaction (including the closing of a position) the insider must consult the **Restricted List** using the **Pre-clearance Tool** to ensure that the fund is not restricted (see appendix 3).

### 3.3. Rules of conduct concerning third party discretionary management

The management of financial instruments can be contracted out to a third party by means of a third party discretionary management agreement. This agreement should be based on a strict separation between ownership and management and must comply with the terms of this paragraph. Under the agreement the third party is authorised to effect financial instruments transactions on behalf of the insider.

Insiders are allowed to entrust the effecting of investments to an asset manager via a third party discretionary management agreement. In addition to the preceding rules of conduct, the following regulations and stipulations apply with regard to third party discretionary management:

- the insider must notify the Head BU Group Compliance of the existence of the third party discretionary management agreement and supply a copy of that agreement;
- the asset manager is a securities or credit institution;
- the management agreement is based on a strict separation of ownership and management;
- the management agreement stipulates that the asset manager:
  - must directly notify the BU Group Compliance of every financial instruments transaction by sending a summary of the transaction;
  - must furnish the BU Group Compliance with a summary of the insider's financial instruments portfolio once every six months;
  - at the first request of the BU Group Compliance, must furnish the BU Group Compliance with further information concerning transactions effected on the basis of the management agreement;
- the insider must refrain from giving any instruction or indirectly influencing in any other way the decisions taken by the asset manager in respect of the management;
- the Head BU Group Compliance is authorised to instruct the insider to make best efforts to have the management agreement amended;
- with an interval of minimal every six months, the insider is permitted to review the arrangements laid down when entering into the management agreement, for example with respect to the spread of risk and the distribution across different types of financial instruments. The insider must notify the BU Group Compliance immediately of amendments to or cancellation of the agreement by sending a copy of the revised agreement to the BU Group Compliance;
- the insider must not be a member of the executive body of the securities- or credit institution with which the management agreement has been signed.

### 3.4. Rules of conduct concerning hedge funds, private equity funds and other alternative assets

Hedge funds and private equity funds are designed as partnerships with the general partner, often a wealthy individual, being the fund's manager. The fund manager usually makes the investment decisions, and has a portion of his wealth within the fund. Most hedge funds and private equity funds set high minimum investment amounts for investors.

Alternative assets are assets with potential economic value that would not be found in a standard investment portfolio. Alternative assets tend to be less liquid than traditional investments. Thus, investors who favor alternative assets will have to consider a very long investment horizon. To hedge funds and private equity funds venture capital-related projects and infrastructure could be alternative assets.

Insiders are allowed to effect financial instruments transactions in/with a hedge fund, a private equity fund or other alternative assets (hereinafter together referred to as private equity transactions). In addition to the preceding rules the following rules of conduct are applicable:

- the insider must consult the Restricted List prior to effecting a private equity transactions in a listed fund;
- insiders must report their private equity transactions in a listed fund to the BU Group Compliance;
- the aforementioned rules are not applicable to private equity transactions in funds that are not listed themselves. However, in that case the insider must notify the BU Group Compliance immediately as soon as the fund has decided to issue listed financial instruments.

Investing in hedge funds, private equity funds and other alternative assets requires a high sense of responsibility of the insider. Semblance of the use of inside information and/or conflicts of interest with the activities of NIBC must be avoided at all time.

The BU Group Compliance must be informed in case of doubt whether a fund can be regarded as a hedge fund, a private equity fund or as other alternative assets or in case of doubt whether investing in the fund results in (semblance of) the use of inside information and/or conflicts of interest.

### 3.5. Members of the Managing Board

**Members of the Managing Board** are only allowed to effect private investment transactions:

- through third party discretionary management;
- in (semi-) open-end investment funds, financial products whose value movement depends (virtually) entirely on an official index in OECD-member countries, in FX transactions, hedge funds, private equity funds and other alternative assets;
- in government bonds in OECD member-countries;
- in NIBC products and NIBC related products.

The existing holding of securities when assuming the Managing Board position, which are not under third party discretionary management, are not allowed to be traded in. Selling of (parts of) the securities in portfolio can only take place after an agreement has been reached between the (new) Managing Board member and Group Compliance.

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## 4. TRANSACTIONS IN NIBC (RELATED) PRODUCTS AND NIBC CHOICE

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The following rules are applicable to all staff members (insiders and non-insiders) of NIBC. They are supplementary to the rules as set out in the previous sections, unless stipulated otherwise.

### 4.1. General

The financial market and supervisory bodies are alert on private investment transactions by staff members in NIBC products and NIBC related products. Transactions in these instruments on the basis of inside information or with the existence of conflicts of interests may lead both to supervision measures, negative publicity, employment sanctions and/or criminal sanctions. The rules in this section apply, for instance, (i) when a client of NIBC or NIBC itself invites a staff member to invest in the NIBC product and (ii) when a party related to NIBC (e.g. a shareholder of NIBC or a party with whom NIBC has a business relationship) enables a staff member to invest in a NIBC related product.

### 4.2. Rules of conduct concerning NIBC products and NIBC related products

In practice staff members will to a limited extent be allowed to invest in NIBC products and NIBC related products. Permission will be granted by the **Engagement & Compliance Committee** (ECC) under privileged conditions.

In addition to the preceding rules of conduct the following supplementary rules of conduct apply with regard to transactions in NIBC products and NIBC related products:

- no transaction (which includes the closing of a position or divesting in a product) may be made in the event of inside information and/or conflicts of interest between the staff member, NIBC and/or the client or related party. In addition, the staff member must at all times:
  - avoid the semblance of the (mis)use of inside information and/or conflicts of interest;
  - be clear vis-à-vis the client or related third party regarding the fact that the relevant transaction requires prior written approval from the ECC;
- the ECC may decide that an open and/or **closed period** is applicable for a certain product;
- all transactions in NIBC products and NIBC related products require prior written approval of the ECC which has full discretionary powers to approve or disapprove the contemplated transaction. Requests for approval must be submitted in writing and must include:
  - the name and the position of the staff member;
  - evidence that the staff member is invited to invest in the NIBC product or the NIBC related product;
  - a description of the contemplated transaction (e.g., name of client or related party, particulars of product, amount of funds involved) which enables the ECC to assess all relevant aspects of the request, and;
  - a statement that the staff member does not possess inside information and that there are no conflicts of interest;
- the ECC may require the staff member to provide any additional information. The ECC shall decide on the request as soon as practically possible. Once it has taken its decision, no further correspondence is possible and the staff member may not appeal the decision to any person or body within NIBC;
- the ECC shall, among others and on a discretionary basis, take the following aspects into account:

- whether there is any (semblance of) inside information and/or conflicts of interest (in general transactions are allowed within an **open period** for the product, if applicable, and/or outside a closed period);
  - whether the transaction is not inappropriate for the staff member given his financial means, risk appetite and investment experience (in general, the use of borrowed funds is not allowed);
  - the size of and the amount involved in the transaction;
  - whether the transaction can be deemed to be in the interest of NIBC;
  - the rights attached to the NIBC product or the to NIBC related product (e.g., with respect to non-listed products the staff member may not have voting rights and the staff member may not hold rights or a position that could lead to conflicts of interest);
  - whether the staff member is in other ways involved with the NIBC product or the to NIBC related product (e.g., as advisor); and
  - if applicable, (with respect to disinvestments) whether the relationship (1) between the client or the related party and NIBC or (2) between the client or the related party and the NIBC product or the NIBC related product, still exists (in general, the staff member may not disinvest before the client or the related party has disinvested);
- the staff member who is a member of the ECC shall not take part in the decision process on his own transaction(s) in NIBC products and/or NIBC related products. In that case the staff member will be heard by the ECC;
  - the staff member has to report the actual transaction immediately to the BU Group Compliance (in writing) after it is effected;
  - when the employment of the staff member is terminated for whatever reason (other than as a result of retirement, pre-retirement or death of the staff member) the staff member is, when so requested by the ECC, obliged to sell or otherwise dispose of the NIBC products or the NIBC related products during the first coming open period;
  - in case of retirement or pre-retirement, the above rules will remain applicable to the (former) staff member;
  - in case of death of the staff member, the heirs shall be bound by the above rules to the fullest extent allowed by law.

#### 4.3. Rules of conduct concerning transactions under NIBC Choice programme

With regard to conducting transactions under the **NIBC Choice** programme, all staff members must adhere to the provision of NIBC Choice. The principles of this programme are announced on MyNIBC.

#### 4.4. Primary and secondary insiders

NIBC is obliged by law to make a distinction between **primary** and **secondary insiders** with regard to inside information about NIBC and/or **NIBC financial instruments**. NIBC meets this requirement, however it does not make a distinction between the rules that are applicable to both types of insiders. The same stringent rules apply to all insiders of NIBC.

With regard to inside information concerning NIBC and NIBC financial instruments two groups of insiders are recognised: primary and secondary insiders:

- primary insiders are persons who because of their position or involvement in a project can have knowledge of inside information with regard to NIBC on a regular basis;
- secondary insiders are all other insiders.

It may be that a staff member because of his position or involvement in a project becomes privy to inside information regarding NIBC on a (more) regular basis. In that case the staff member will be designated as a primary insider.

With regard to effecting transactions in NIBC financial instruments, the members of the Managing Board, the Supervisory Board Members, **qualified shareholders** of NIBC and the corporate secretariat are considered to be primary insiders. Other insiders of NIBC are considered as secondary insiders with regard to effecting transactions in NIBC financial instruments.

The BU Group Compliance can decide in consultation with the Managing Board to qualify certain persons as primary insiders when knowledge of inside information or involvement in a price sensitive project or transaction gives reason to do so. Within NIBC, the BU Group Compliance will keep a database in which the data of primary insiders and certain secondary insiders is kept (see appendix 2). The database is regularly updated.

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## 5. OTHER PROVISIONS

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### 5.1. Derivatives

A derivative is a financial instrument which price is dependent upon or derived from one or more underlying assets. The derivative itself is merely a contract between two or more parties. Its value is determined by fluctuations in the underlying asset. The most common underlying assets include, amongst others, stocks, bonds, commodities, currencies, interest rates and market indexes.

Trading in a derivative is allowed under the condition that the duration of the instrument exceeds the holding period. This is the case when execution triggers do not come into effect within thirty calendar days after the derivative was obtained by the staff member and, if applicable, the staff member does not trade in the underlying asset within the duration of the original holding period after obtaining it through the execution of the derivative.

Furthermore derivatives can be used for hedging and/or combined assets strategies. This can result in holding a 'short' derivatives position. The basic principle of being 'short' means there is a possibility of being assigned within the holding period which will result in a delivery obligation. That would constitute a breach of the general holding period principle.

An exemption to this holding period principle applies if, with the opening of the strategy:

- the derivative is clearly part of and/or related to a combined/hedged investment strategy;
- the spot price regarding the underlying asset exceeds or declines the strike price by five percent or more;
- the duration of the derivatives position exceeds the holding period with at least 180 calendar days or more.

### 5.2. Foreign Supervisory Board Members

**Supervisory Board Members**, residing outside The Netherlands, (Foreign Supervisory Board Members) have the following two options:

- the option to appoint an External Supervisor who will supervise the Foreign Supervisory Board Member's compliance with the regulations in the PPIT on behalf of the BU Group Compliance (NIBC's approval is

- required). For this purpose the Foreign Supervisory Board Member must close a standard tripartite agreement with this external party and NIBC.
- the option not to appoint an External Supervisor and therefore abide by the procedures of the PPIT in the same way as all other insiders, including Supervisory Board Members who are residents of The Netherlands.

Furthermore Foreign Supervisory Board Members are not obliged to the holding period of 30 days.

### **5.3. Investigations related to adherence of the PPIT**

The BU Group Compliance is authorised to carry out or commission an investigation at any time into private investment transactions performed by a staff member (including foreign Supervisory Board Members) or an asset manager. The investigation will assess whether the private transaction complies with the applicable rules, regulations and instructions (see appendix 4).

### **5.4. Breaches and sanctions in relation to the PPIT**

Seemingly small breaches of this procedure may cause substantial losses for NIBC. As staff members, you are therefore required to abide by this procedure. If you disregard this procedure, you put our reputation at risk. For that reason any breach is taken very serious.

In addition to the sanctions as described in the Local Compliance Manual, specific sanctions are in place when violating the principles of the PPIT (see appendix 5).

Supervisory measures have been taken with regard to private investment transactions effected by the Head BU Group Compliance and staff of the BU Group Compliance, to ensure that these persons also comply with the PPIT

### **5.5. Advice and objections**

In case the staff member has any doubts about the interpretation and implementation of this procedure (other than decisions by the ECC), the BU Group Compliance can be consulted for advice.

The Head BU Group Compliance can make a binding decision on the matter. In case the staff member disagrees with the given explanation, a complaint can be filed with the Chairman of the Managing Board or a designated professional body or person assigned by the Chairman of the Managing Board.

In case a member of the Managing Board disagrees with the decision, a complaint can be filed with the Chairman of the Supervisory Board or a designated professional body or person assigned by the Chairman of the Supervisory Board.

Filing a complaint does not lead to a suspension with regard to the decision of the Head BU Group Compliance. Within six weeks after the filing of a complaint a binding decision for all parties will be made.

### **5.6. Exceptions**

The Head BU Group Compliance has the possibility to deviate from the preceding provisions for staff members of NIBC. In case of a significant deviation from the provisions a request has to be made to the Chairman of the Managing Board or the Chairman of the Supervisory Board.

## Appendix 1 Terms and conditions

<b>affiliated party</b>	<ul style="list-style-type: none"><li>a. Spouses, registered partners or life partners of, or other persons cohabitating in a similar way with a staff member;</li><li>b. Children of a staff member, including persons who fall under his authority or who are under legal restraint and for whom a staff member was appointed as guardian;</li><li>c. Parents, grandparents, grandchildren, brothers and sisters of a staff member;</li><li>d. Other relatives related by blood or otherwise of a staff member, who have on the Transaction Date shared a joint household with him for at least one year;</li><li>e. Legal entities, trusts as referred to in Section 1 under c of the Act on the Supervision of Trust Offices (Wet toezicht trustkantoren) or partnerships:<ul style="list-style-type: none"><li>• whose executive responsibility is vested in a staff member, or in a person as referred to in a to d;</li><li>• which is controlled by a staff member</li><li>• which has been created for his benefit,</li><li>• or the economic interests of which are essentially equivalent to those of him.</li></ul></li></ul>
<b>closed period</b>	<p>A period in which staff members of NIBC are not allowed to effect transaction in NIBC products or NIBC related products. The period covers:</p> <ul style="list-style-type: none"><li>- the period prior to and following on an open period;</li><li>- 1 month prior to the first publication or a prospectus for an issuing of shares, unless the period of decision making is shorter than 1 month, in which case this shorter period should be considered; as well as</li><li>- any other period of which the staff members will be notified in writing by the Head BU Group Compliance;</li><li>- any other period of which the staff members will be notified in writing by the Supervisory Board;</li><li>- any other period of which the staff members will be notified in writing by the Managing Board;</li><li>- any other period of which the staff members will be notified in writing by the ECC.</li></ul>
<b>conflicts of interest</b>	<p>Conflicts of interest occur when a staff member is engaged in two roles or functions and the interests of the second role (e.g. private interests) prevail over the interests that belong with the initial function or role from which decisions are made and actions are conducted.</p>
<b>Engagement &amp; Compliance Committee</b>	<p>The Engagement &amp; Compliance Committee of NIBC (see Procedure Engagement &amp; Compliance Committee)</p>

<b>financial instruments</b>	<ul style="list-style-type: none"> <li>- transferable shares and similar rights;</li> <li>- transferable bonds or other transferable debt instruments;</li> <li>- other transferable rights issued by companies by which the abovementioned instruments can be obtained or that can be settled in cash;</li> <li>- rights of participation in an investment company;</li> <li>- money market instruments, futures, interest term contracts and interest ,currency or share swaps;</li> <li>- option certificates by which the abovementioned instruments can be obtained or that can be settled in cash.</li> </ul>
<b>holding period</b>	A period of time in which an opened financial instruments position has to be kept before closing this financial instruments position.
<b>inside information</b>	(Knowledge of) facts or circumstances concerning a legal entity to which the financial instruments relate or concerning trading in these financial instruments that has not been made public and disclosure of which can reasonably be expected to significantly influence the price of the financial instruments, irrespective of the direction of the price movement.
<b>insider</b>	Insiders are defined as staff members that because of their position or involvement in a project can become privy to inside information regarding NIBC, its clients, business partners or others. The list of insiders can be found on My NIBC.
<b>(private) investment transaction</b>	<p>A financial instruments transaction, a transaction in NIBC products and/or NIBC related products, as well as the participation in a (form of) cooperation or other (investment) transactions e.g. in real estate, foreign currency or precious metals.</p> <p>Meaning the effecting, causing to be effected or realising of any investment transaction, other than in the performance of the staff member's function or position, directly or indirectly for the staff member's own account or partly for the staff member's own account or on behalf of a third party</p>
<b>members of the Managing Board</b>	Members of the Managing Board of NIBC.
<b>NIBC</b>	NIBC Holding N.V. as well as - unless the context shows otherwise – its majority participating interests (among others NIBC Bank N.V.).
<b>NIBC Choice</b>	The programme by which staff members are encouraged to become shareholder in NIBC.
<b>NIBC products</b>	Financial products, not being NIBC shares or NIBC derivatives, which are issued or originated by NIBC.
<b>NIBC related products</b>	Financial products that are issued or originated by parties that are related to NIBC (such as NIBC shareholders or parties with whom NIBC is cooperating).
<b>NIBC financial instruments</b>	Financial instruments issued by NIBC or with regard to NIBC.

<b>open-end investment fund</b>	raises money from participants and invests it in a group of assets, in accordance with a stated set of objectives. Participants are free to sell their participation rights at any time, although the price of a participation right in an open-end fund will fluctuate daily. An insider is not permitted to hold a management position in the fund its custodian or its manager.
<b>open period</b>	A period in which staff members of NIBC are allowed to effect transaction in NIBC products or NIBC related products. The period covers a term of 21 calendar days after the day of the publication of the annual account, the semi annual or quarterly results or the announcement of an (interim-) dividend.
<b>Pre-clearance Tool</b>	An application containing all Restricted Lists. This application makes it possible to ascertain electronically whether trading in a particular stock is permitted.
<b>primary insider</b>	The members of the Managing Board, the Supervisory Board Members, qualified shareholders of NIBC and the corporate secretariat and other staff members who are appointed as such.
<b>qualified shareholder</b>	A private person or company holding shares or voting rights of more than 10% of a company.
<b>Restricted List</b>	List that is compiled within NIBC and that is updated on a regular basis by the BU Group Compliance. The list mentions the funds of which at any time (price sensitive) information has become available that the market does not have access to. When a fund is mentioned on the list, the staff member is not allowed to buy or sell any financial instruments of this fund.
<b>secondary insider</b>	Insiders that do not qualify as primary insiders.
<b>financial instruments transaction</b>	A financial instruments transaction may take a number of forms, including the purchase or sale of a financial instrument, or the donation and acceptance as a donation of financial instruments, the buying or writing of financial instruments options, the exercise of options and the conversion of convertible bonds etc.
<b>speculative trading</b>	In assessing whether a transaction can be regarded as speculative, the following aspects are taken into account: <ul style="list-style-type: none"> <li>- the nature and size of the transaction in the financial instrument;</li> <li>- the ensuing obligations;</li> <li>- the influence on the composition and size of the portfolio;</li> <li>- the investment experience of the staff member.</li> </ul>
<b>staff member</b>	Staff members of NIBC and members of the Managing Board and Supervisory Board Members, unless the context or the regulations in PPIT show otherwise.
<b>stock exchange</b>	Euronext N.V. or other authorized exchanges as well as any other similar exchanges outside the Netherlands.
<b>Supervisory Board Members</b>	Supervisory Board Members of NIBC.

## Appendix 2 Insider register

Within NIBC, the BU Group Compliance will keep a database in which the following data are kept:

- names of the staff members/ insiders that may have access to inside information on a regular or incidental basis;
- the reason for mentioning these persons in this database;
- the moment at which the staff member/ insider will no longer have access to inside information;
- all notifications that are made to the Head BU Group Compliance with regard to this procedure;
- requests/ commissions that are made to the Head BU Group Compliance to make a notification;
- requests for exemption as well as the granted exemptions; (when requested), and
- overview of the third party discretionary management agreements.

In order to guarantee the topicality of the database, the register as well as the alterations are dated.

The first three sorts of data mentioned above are kept in the database for at least five years after they were entered. The other data are removed at the latest two years after the person involved stops working for NIBC.

When the data are relevant in a dispute, they will not be removed before the termination of the dispute. The data registered in the database can be reported to the AFM, when this is necessary in order to comply with legal obligations or a considerable interest of NIBC requires this.

The BU Group Compliance will immediately make alterations to the database when an alteration occurs in the reason why a staff member is registered in the database, when a new staff member needs to be entered in the database or the access to inside information with regard to a staff member changes.

Staff members have the right to look into the data that is registered in the database. Within four weeks after the Head BU Group Compliance receives a request, a written overview will be provided. Staff members of whom the data are registered in the database have the right to have data added, removed or covered. Staff members have the right to do so, when it turns out that data is false or irrelevant. Within four weeks after the Head BU Group Compliance receives a request, the staff member will be informed in writing about the outcome. When the request is accepted the data will be adjusted. If the request is not accepted, the reason for refusal will be given.

## Appendix 3 Restricted List

### Introduction

Restricted Lists are drawn up within NIBC and are updated daily by the BU Group Compliance. The Restricted Lists contain names of companies/stocks (financial instruments) about which (price-sensitive)/ confidential information has become known at any given moment which is not (yet) available to the market. If a fund occurs on these lists, insiders are expressly forbidden to purchase or sell any financial instrument in one or more of those funds. Placing funds on these lists prevents insider trading and counters the suspicion thereof because it is forbidden to trade in a fund that is on the Restricted List. This also applies for the Strategic Business Unit (SBU). The SBU may only deal in funds appearing on the list relating to that SBU if the execution of a transaction forms part of or is a consequence of the banking service initially offered by that SBU.

### Placing and removal of funds on the Restricted List

As soon as within NIBC information becomes available with regard to a fund listed on a stock exchange and this information can be regarded as (possible) inside information which the market does not have access to, that fund will immediately be placed on the relevant Restricted List.

The stock remains on the Restricted List for as long as the information obtained is price-sensitive/ confidential. Insiders who already have a position in the stock in question must hold on to that stock. They must not effect any buy or sell transactions in that stock as long as it remains on the Restricted List.

If the service provided by NIBC ends but the (price-sensitive)/ confidential information is not yet in the public domain, these stocks are only removed from the Restricted List six months after the ending of the service.

### Pre-clearance Tool

As stated above, all insiders must consult the Restricted List before executing a financial instruments transaction (either buy or sell). The Restricted List is consulted using the Pre-clearance Tool, which is available through the applications page on MyNIBC:

After filling in the name of the fund in the Fund Check, and clicking check fund, within seconds a message will appear telling you whether or not you may trade in any financial instrument of the company in question. The time of day you consulted the tool and the search result will be recorded by the tool. The BU Group Compliance will use this information to verify the duplicate notices.



**Closing a position (application of restricted list)**

Where a given fund is likely in the view of Group Compliance to remain on the Restricted List for an extended period (at least one calendar year), an opportunity to close the position in the fund will in principle be given twice a year. In both cases this will occur within five working days following the publication of the interim and year-end figures. On request, permission for this will be given by the BU Group Compliance each half-year for each individual stock, and communicated to the insider(s) concerned five working days before publication of the figures. It is not allowed at all times to open or increase a position in the fund in question during these five working days.

The Head BU Group Compliance has the power not to apply the above rule. This decision will be taken following consultation with the Chairman of the Managing Board of NIBC.

#### **Appendix 4 Investigations in relation to the adherence of the PPIT**

The Head BU Group Compliance is authorised to report to the Chairman of the Managing Board and the Vice-Chairman of the Managing Board in writing concerning the outcome of this investigation. Before doing so, the staff member must have had an opportunity to respond to the outcome of the investigation. The staff member will be notified by the Chairman of the Managing Board of any sanction to be imposed.

In case the investigation relates to the Chairman of the Managing Board, the report is sent to the Chairman of the Supervisory Board, after the Chairman of the Managing Board has been offered an opportunity to respond. The Chairman of the Supervisory Board will notify the Chairman of the Managing Board of the outcome of the investigation and of any sanction to be imposed.

#### **Appendix 5 Breaches and sanctions in relation to the PPIT**

The following applies for breaches with the PPIT:

- in case of a concrete suspicion of acting on the basis of inside information or conflicts of interest the staff member may be suspended during an investigation;
- amongst others, a concrete suspicion of acting on the basis of inside information or conflicts of interest is considered to be present in any event when:
  - a staff member is assumed to have knowledge of price sensitive information in relation to a effected private investment transaction;
  - the staff member violates the rules of conduct when effecting a transaction in NIBC products and NIBC related products;
- acting on the basis of inside information or conflicts of interest may lead to dismissal or discharge from one's position. In that case the Head BU Group Compliance or a member of the Managing Board will report this matter to the Dutch Central Bank (DNB) and the AFM;
- the BU Group Compliance will keep a record of violations. Violations can be reported to the DNB;
- transactions executed in contravention with the provisions of the PPIT must be reversed. Any profits from the reversed transactions are to be donated to a charitable institution;
- (recurrent) breach of the PPIT may result in disciplinary action including contract termination.

## Appendix 6 Frequently asked questions

These Frequently Asked Questions (FAQ's) are intended to highlight the most important aspects of the PPIT. If this Procedure is applicable to you we urgently advise you to also read the full text of the PPIT. If you have any questions do not hesitate to contact Group Compliance or send your question to [compliance.office@nibc.com](mailto:compliance.office@nibc.com).

### What is changed regarding the amended PPIT?

- The most relevant changes are:
- the distinction between insiders and non-insiders;
- (new) rules for NIBC products and NIBC related products;
- (new) rules for investing in private equity funds, hedge funds and other alternative assets;
- a more stringent sanction policy.

### Is the PPIT applicable to me?

The PPIT applies to insiders as well as non-insiders of NIBC. This includes our Supervisory Board Members and temporary staff members.

### What is the difference between an insider and a non-insider?

Insiders are staff members that because of their position or involvement in a project can become privy to inside information regarding NIBC, its clients, business partners or others. The list of insiders can be found on My NIBC.

### What are the main rules of the PPIT?

- 1) We do not trade in a financial instrument (e.g. securities, options and derivatives) when we possess information that could affect its price.
- 2) We do not discuss sensitive information with people outside our Business Units.
- 3) We do not use work related information for our personal benefit.

### Can I invest in NIBC products and NIBC related products?

In practice staff members will to a limited extent be allowed to invest in NIBC products and NIBC related products. Permission will be granted by the ECC under privileged conditions. The following obligations are applicable to insiders and non-insiders:

- written approval of the ECC must be obtained before you can trade;
- in case the ECC has enforced open periods, then trading is only allowed within these periods;
- in case the ECC has enforced exit conditions, then divesting is only allowed in line with these conditions;
- you must supply a copy of each transaction to Group Compliance.

### Can I invest in hedge funds, private equity and other alternative assets?

This is allowed. However investing in hedge funds, private equity funds and other alternative assets requires a high sense of responsibility of the staff member. Semblance of the use of inside information and conflicts of interest with the activities of NIBC must be avoided at all time. Furthermore insiders must consult the Restricted List with regard to transactions in listed private equity funds, hedge funds or other alternative assets and must report these transactions to Group Compliance.

#### In which listed securities can I invest?

- Staff members can invest in listed securities on their own account.
- Members of the Managing Board are not allowed to invest in listed funds on their own account but must use third party discretionary management for this purpose (see below).
- Insiders must meet specific obligations, which are not applicable to non-insiders:
  - approval of Group Compliance must be obtained before an insider can use a financial instruments account;
  - the Restricted List must be consulted prior to trading;
  - insiders must ensure that duplicate notices of transactions are directly sent to Group Compliance;
  - insiders must ensure that bi-annual statements are directly sent to Group Compliance.
- Please bear in mind that these obligations are also applicable to (i) investments on behalf of a third party, (ii) financial instruments accounts of your minor children and (iii) joint accounts.

#### Can I hire an asset manager?

Staff members may entrust their investments to an asset manager via a third party discretionary management agreement. Insiders must meet specific obligations, which are not applicable to non-insiders:

- a copy of the agreement must be provided to Group Compliance;
- the agreement must contain specific conditions.

#### Do I have to report all my private investment transactions?

No, you do not have to report your transactions in (semi)open end investment funds, financial products whose value movement depends (virtually) entirely on an official index in OECD-member countries, FX transactions and in OECD government bonds and sometimes private equity, hedge fund and alternative assets transactions (see above).

#### When and what do I need to report?

- Insiders must:
  - notify their financial instruments account(s) to Group Compliance prior to use;
  - ensure that duplicate notices of transactions are directly sent to Group Compliance;
  - ensure that bi-annual statements are directly sent to Group Compliance.
- In case of third party discretionary management:
  - the asset manager is responsible for the above mentioned notifications as soon as the insider has provided Group Compliance with a copy of the agreement.
- Furthermore insiders must:
  - report their private equity transactions to Group Compliance promptly after execution;
  - unless these transactions are exempted (see above).
- Non-insiders are not bound by the above mentioned requirements.
- All staff members must:
  - ask permission of Group Compliance respectively the ECC prior to trading in NIBC products and NIBC related products;
  - notify the actual transaction to Group Compliance promptly after execution.