Belfius N-Bonds

In order to complete the range of funding products under the Belgian Mortgage Pandbrieven Programme, Belfius has set up a framework for issuing **registered covered bonds** (N-Bonds) targeted to the German buy-and-hold investors.

Due to some specificities of the Belgian legal framework and of the Belfius Mortgage Pandbrieven Programme itself, the Belfius N-Bonds present some differences from the German model, but comply with the most important characteristics of the German format.

German investors should be able to treat Belfius N-Bonds like classic loans under IFRS.

Summary of terms	
Issuance	N-Bonds (Namenschuldverschreibung)
Issuer	Belfius, with a dual authorisation from the National Bank of Belgium (NBB) : (i) a general licence as covered bond issuer and (ii) a specific licence for the Belgian Mortgage Pandbrieven Programme
Location of cover assets	On-balance sheet
Documentation	N-Bond documentation of the Issuer under the EUR Belgian Mortgage Pandbrieven Programme dated 8 November 2012. Each N-Bond will constitute a single series under the Programme, without denominations. • Issuing and Purchase Agreement (IPA) • Assignment Agreement • The T&C (attached to the IPA/the Certificate) include a non binding translation in German.
Maturities	From 10 years and longer, (soft bullet) extension on non payment at maturity date

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Summary of the terms	
Structure	Annual fixed rate, EUR denominated
Paying Agent	LBBW
Applicable law	The N-bonds will be governed by German law, save for the Common Terms of the programme (meaning the terms applicable to all type of Mortgage Pandbrieven issued under the Programme) and the Rules of Organization of the Noteholders which are governed by Belgian Law.
Registrar	Belfius Bank The inscription in the register of registered obligations of Belfius is binding in compliance with the Belgian Company's Code.
Certificate	The N-Bond Certificate will be sent to the investor upon issuance
Transfers	The N-Bonds are transferrable by assignment (Abtretung) in whole but not in parts. The assignment agreement and the Certificate must be sent to Belfius for registration of the new investor in the register of registered obligations of Belfius and issuance of a new Certificate.
Tax aspects	In order to be exempted, the investor should provide a tax exemption form to the Issuer at issuance or transfer. (at registration) In case of transfer between 2 coupon dates, the witholding tax will be withheld on the coupon related to the period of the transfer. (This witholding tax can be recovered from the Belgian tax autorities.). No tax gross-up.
Cross acceleration	Yes (acceleration upon non-payment)

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Summary of the terms

Isin code	The N-Bonds will not be cleared through a clearing system but will however have an isin code for reporting and operational purposes.
Listing	The N-Bonds will not be listed.
Net proceeds	Net proceeds of the N Bonds will be used for the general corporate purposes of Belfius Bank.
Noteholders representative	Stichting Belfius Mortgage Pandbrieven Noteholders' Representative (a Dutch foundation managed by ATK)
Investor Report	Reporting on the composition of the special estate is available on the website of Belfius Bank on a monthly basis.

For more info , please consult www.belfius.com EN version

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