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## **Press Release**

Amsterdam, 13 December 2010

### **ABN AMRO statement on AFM fine**

The Dutch Authority for the Financial Markets (AFM) conducted an extensive investigation in 2009 on mortgage provision by large banks in the Netherlands. A number of fines have been imposed as a result of the enquiry. ABN AMRO is one of the financial institutions under investigation.

Among other things, the AFM investigated whether banks complied with the rules when advising on risk insurance policies. It was announced today that the AFM has fined ABN AMRO EUR 6,000; this amount is multiplied by a factor of 5 (based on the bank's ability to pay), resulting in a fine of EUR 30,000.

John Smeets, director of Products: "Being fined is a serious matter. It's important for customers that the mortgage procedure is followed to the letter. Unfortunately, not all risk insurance policies were registered properly in these cases. We take the AFM's criticism to heart and already tightened our procedures in 2009."

The AFM investigated a total of sixteen cases at ABN AMRO between January 2009 and 15 September 2009. It has found that in eight of these cases, the bank failed to gather sufficient information on the customers in question when it concluded life insurance and occupational disability insurance policies, specifically how much risk the customer can bear in the event of death and/or disability. The AFM has also found that, in two of the cases, the bank failed to sufficiently substantiate its advice on the risk insurance policies concluded.

ABN AMRO believes that it provided appropriate advice, including in the cases investigated by the AFM. It does recognise, however, that the information gathered for these insurance policies was not always recorded in full in the cases on which the AFM has based its judgment. ABN AMRO has decided not to appeal the AFM's fine.

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ABN AMRO Press Office: + 31 20 6288900

\*The fine is determined based on shareholders' equity. ABN AMRO's fine is subject to a factor of 5.