

Information document on securities account segregation.

Version 7/5/2019

ING Belgium S.A.

This disclosure statement relates to ING Belgium N.V. (the 'Bank' or 'we') together with all of its branches.

Purpose of the document

The purpose of this document is to disclose the levels of protection associated with the different levels of segregation that we provide in respect of securities that we hold directly for you with Central Securities Depositories within the EU ('CSDs'), including a description of the main legal implications of the respective levels of segregation offered and information on the insolvency law applicable.

This disclosure is required under Article 38 paragraph 6 of Regulation (EU) No 909/2014 on improving securities settlement in the European Union and on central securities depositories (the 'Central Securities Depositories Regulation' or 'CSDR'). This document is not intended to constitute legal or other advice and should not be relied upon as such. Clients should seek their own legal or other advice if they require any guidance on the matters discussed in this document. Under CSDR, the CSDs of which we are a direct participant (see annex 1) have their own disclosure obligations.

Introduction

In the Bank's own administration, we maintain one or more securities accounts for you, from which accounts it appears which securities we hold in administration for you. These securities may be deposited by us with a CSD. We are a participant in several European CSD's. The Bank has opened accounts with these CSD's that reflect the securities positions that you and other clients of the Bank hold with the Bank.

Under the CSD Regulation the accounts opened by the Bank with a CSD can be set up in two ways:

- (i) as an **omnibus securities account**, i.e. an account with the CSD in which securities belonging to multiple clients of the Bank are held (abbreviated '**OSA**'); or
- (ii) as an **individual securities account**, i.e. an account with the CSD in which only the securities of one client are held (abbreviated: '**ISA**').

Under the CSD Regulation the Bank is obliged to offer you the choice between these two options (i.e. the holding by the Bank of your securities in an OSA or an ISA at the level of the CSD). The CSD determines the set-up of the OSAs and ISAs. **With this document, the Bank would like to inform you about these two options and explain to you which levels of protection are associated with either an OSA or an ISA.**

Levels of protection concerning OSAs and ISAs

In general

If the Bank goes into insolvency, Belgian law is applicable to the insolvency proceedings. Your securities are protected in the event of insolvency of the Bank.

You have the benefit of this protection pursuant to the Belgian Coordinated Royal Decree Number 62 of 10 November 1967 on the deposit of fungible financial instruments and the settlement of transactions in these instruments. This is explained in more detail below.

Your securities entitlement

The system in the Royal Decree Number 62 is based on the concept of co-ownership. The the Royal Decree Number 62 does not take in consideration the existence of ISA's with a CSD. This means that you, together with other investors who hold securities of the same type, jointly own these securities. Each type of securities constitutes a so-called collective deposit in books of the CSD. Your interest in this deposit and the interest of the other investors are shown by the records (which records are constituted of the individual securities accounts of clients) of the Bank. This collective deposits are segregated from the Bank's assets.

Insolvency of the Bank

Because the collective deposit does not form part of the Bank's assets, your securities are protected in the event of insolvency of the Bank. In the event of insolvency an insolvency trustee will be appointed. The insolvency trustee will, on the basis of the records of the Bank, first determine who is entitled to which securities and then proceed to return the securities to their legitimate owner. If the bank is insolvent, it makes no difference whether you have requested the Bank to hold your securities in an OSA or an ISA. In both cases, you have the benefit of the protection of the Royal Decree Number 62.

Shortfalls in a collective deposit

The Royal Decree Number 62 includes an arrangement for the situation that the number of securities of a particular type for which the Bank has credited its clients exceeds the number of securities of that type for which the Bank is credited in the books of the relevant CSD. If there is such a shortfall and the Bank holds with the same CSD securities of the same type, the securities of that type for which the Bank is credited in the books will be used by priority to reimburse the clients. If after this there is still a shortfall, the client will not receive all its securities, but only part thereof, in proportion to its share in the collective deposit. In such a case the client can call on the guarantee of the Protection Fund for Deposits and Financial Instruments (the Protection Fund). The maximum repayment amount with regard to missing securities per client is EUR 20.000.

This arrangement applies regardless of whether the securities are administered in an OSA or an ISA at a CSD level.

Determination of securities holdings

As a general principle the records of the Bank are structured to comply with applicable rules and regulations such as the Markets in Financial Instruments Directive which determines clients' segregation of assets from the Bank and other clients of the Bank. The records of the Bank should therefore be sufficient to determine which securities belong to you.

The holding of securities in an ISA at CSD level could involve that in the event of insolvency of the Bank it would be easier to determine to whom the securities in the collective deposit belong. However, this does not necessarily mean that an insolvency trustee will be able to release the securities more quickly if the securities are administered in an ISA. The insolvency trustee will amongst others have to take into account possible taken bank recovery and resolution measures, arrangement for shortfalls in a collective deposit under the Royal Decree Number 62 and the interests of other securities account holders.

Insolvency of a CSD

This document does not concern the situation that a CSD goes into insolvency. The CSD itself will publish an information document explaining the levels of protection associated with an OSA or an ISA, the consequences of the CSD going into insolvency and whether an OSA or ISA offers advantages for the (end) investor in this situation.

Operational impact

If you decide it is in your interest to open an ISA with the CSD, the Bank must open an additional subaccount with the CSD, so that it can carry out additional administrative and operational tasks. Opening such an account involves a longer processing time when opening a securities account, as the Bank has to update its own administration and that of the CSD manually for each transaction you carry out. Your transactions are monitored on your securities account by means of an internal control system. This means the Bank can ensure that your securities are held correctly on the subaccount with the European CSD.

We would like to point out that you, as our client, will not maintain your own business relationship with the CSD under any circumstance or have your own securities account with the CSD. This is because becoming a member of the CSD involves legal and operational requirements.

Costs

If you opt for an ISA, this will involve additional costs because of the operational impact explained above.

A setup cost for the opening of an individual segregated account (ISA)

Opening subaccount at the chosen European CSD and in the systems of ING BE.

Insert client data to execute a daily reconciliation between the clients securities account and the European CSD subaccount.

Operational costs

To detect every day the possible transactions (orders, transfers, corporate events) on the clients ING securities account.

For each transaction a reconciliation is foreseen to assure that the right positions are on the correct CSD subaccount. Depending on the transaction, the operational services have to execute internal transfers between the individual subaccount of the European CSD and the omnibus account ING Be and vice versa.

Overview costs

- | | |
|--|------------------------|
| • Opening subaccount (ISA) at one EU CSD | 915,78 EUR (VAT incl.) |
| • Transaction fee for one ISIN on a subaccount (ISA) | 323,22 EUR (VAT incl.) |

Annex 1

CSD Participant	CSD	Jurisdiction
ING Belgium S.A.	Euroclear Belgium	Belgium – regulated by Financial Market Services Authority (FSMA)
ING Belgium S.A.	Clearstream Luxembourg	Luxembourg – regulated by Commission de Surveillance du Secteur finance (CSSF)
ING Belgium S.A.	National Bank of Belgium	Belgium

ING Belgium S.A./nv - Bank/Lender - Avenue Marnixlaan 24, B-1000 Brussels - Brussels Trade Register - VAT BE 0403.200.393 - www.ing.be - Tel.

+32 2 547 21 11. BIC: BBRUBEBB - IBAN: BE45 3109 1560 2789. Insurance broker licensed with FSMA under the number 12381A.

