

INSOLVENCY REPORT

Insolvency Report no. **25** by the Administrators of

DSB Bank N.V.

3 January 2015

*The public insolvency reports of DSB Bank N.V. (**DSB Bank**) are published online on the website www.dsbbank.nl. The administrators of DSB Bank (**Administrators**) will also be using these websites in the future to publish other information concerning the case and the progress of the insolvency proceedings.*

MAIN POINTS OF THIS REPORT

- The 24th public report (interim report) published on 5 December 2014 has already covered the final decision given by the Amsterdam Appeal Court (the 'Court') under the Mass Claims Settlement Act ('WCAM'), the increase in the special short-term loan facility, the distribution of 35%, the sale of Waard Leven B.V. ('Waard Leven'), Waard Schade B.V. ('Waard Schade') and Tadas Verzekeringen B.V. ('Tadas') and the court case brought against De Nederlandsche Bank N.V. ('DNB') in ample detail.
- On 4 November 2014, the Amsterdam Court of Appeal (the 'Court') gave its final decision ('Decision') on the application made by the Administrators, three stakeholder organisations ('Stakeholder Organisations') and nine insurance companies ('Insurers') under the Collective Mass Claims Settlement Act ('WCAM'). The Court declared the compensation scheme ('Scheme') which the Administrators, the Stakeholder Organisations and the Insurers ('Applicants') had agreed as part of the Heads of Agreement ('AoH') to be binding, including a number of amendments put forward by the applicants on 8 July 2014. Further information can be found on www.dsbcompensatie.nl, the joint website of the Administrators and the Stakeholder Organisations.
- The Decision means that existing and former customers of DSB Bank have until 8 May 2015 to indicate that they do not wish to be bound by the Scheme ('opt out'). Additionally, existing and former customers have until 8 November 2015 to apply for compensation under the Scheme ('opt in').
- Between the date on which the Scheme was declared binding and 27 January 2015, almost 31,000 existing and former customers registered with the Administrators for compensation and 248 submitted completed opt-out forms.
- The implementation of the Scheme is going smoothly but, given the large number of claims, it will be several months at least before the majority of the PPI mis-selling claims have been processed. In addition to the processing of the new claims, work continues on settling the claims under the AoH still being processed on 4 November 2014. Moreover, work continues on the award of extra compensation to existing and former customers who have already accepted the terms of the AoH but now qualify for the improvements in compensation contained in the Decision by the Court.
- The costs of the Scheme will be accounted for in the 2014 Financial Report, which it is expected will be published on the websites www.dsbbank.nl and www.houthoff.com in April 2015. A provision will be included in the expenses recognised in 2014 in respect of the total costs connected with the Scheme, including the estimated number of claims under the Scheme received between 1 January 2015 and 8 November 2015.

- In December 2014, the Administrators renewed the special long-term loan facility, initially for a period of three years, simultaneously increasing the amount to €1.4 billion. See item 2 of the 24th public report (interim report) for the arguments behind increasing this facility. The financiers are ING Bank N.V., Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. and ABN AMRO Bank N.V. The present drawings under this facility amount to €1,320 million (position as at 31 December 2014: €1,377 million).
- Chaired by the supervisory judge, the seventh meeting of creditors pursuant to Section 178 of the Insolvency Act (Fw) took place on Thursday, 13 November 2014. At this meeting, late claims (almost exclusively connected with the award of compensation under the Scheme) were allowed.
- Making use of the additional special short-term loan facility and with the approval of the committee of creditors ('Creditors' Committee') and authorisation of the supervisory judge, the Administrators made an eighth interim distribution of 35% to the unsecured creditors around 23 December 2014. This distribution involved an amount of €1,291 million. It brings the total payout to creditors to 74%.
- As pledgee of the shares of Waard Leven B.V. and Waard Schade B.V. and as shareholder of Tadas, DSB Bank agreed the sale of these entities, subject to a number of conditions – including approval by DNB and the authorisation of the supervisory judge – to the UK listed insurance company Chesnara plc on 3 December 2014. All activities are to continue unchanged. The sale will not have any immediate consequences for the employees of Tadas or for Waard Leven and Waard Schade policyholders. The sale will raise a total of approximately €70 million for DSB Bank.
- The case brought against DNB by the Administrators in conjunction with three stakeholder organisations of existing and former customers with claims against DSB Bank was heard by the bench of the Amsterdam District Court on Tuesday, 17 December, and Friday, 19 December 2014. The court aims to give its decision on Wednesday, 4 March 2015.
- As at 31 December 2014, the total amount of DSB Bank's loans was €4.3 billion, of which €2.5 billion was on the bank's own books and €1.8 billion was in the form of securitised loans.

Prospects for creditors:

To date, the Administrators have made the following interim distributions to unsecured creditors:

	Month	distributed to unsecured creditors	distributed to preferential creditors
1st distribution	June 2011	15%	100%
2nd distribution	December 2011	4%	-
3rd distribution	June 2012	4%	-
4th distribution	December 2012	4%	-
5th distribution	June 2013	4%	-
6th distribution	December 2013	4%	-
7th distribution	June 2014	4%	-
8th distribution	December 2014	35%	-
	Total	74%	-

Although there was a large eighth distribution of 35% in December 2014, distribution to creditors of further additional percentages is not expected to be possible during the next five years because the special short-term loan facility must be repaid over that period out of cash flow.

The Administrators do, however, believe it to be possible, based on existing projections, for the claims of the unsecured creditors and those of the subordinated creditors to be paid in full in the long term, provided the current policy relating to winding-up of the loan portfolio can be continued for at least five years.

If, in the longer term, all creditors have been paid in full, any remaining balance could be paid out towards the interest claims of the creditors. This concerns the interest calculated on the creditors' claims as from the date of insolvency.

Details of company	DSB Bank N.V.
Insolvency case number	: F13 / 09 / 798
Decision date	: Emergency ruling: 12 October 2009
Insolvency	: 19 October 2009
Administrators	: R.J. Schimmelpenninck and B.F.M. Knüppe
Supervisory judge	: M.J.E. Geradts (District Court at Alkmaar, Amsterdam branch)
Reporting period	: 31 October 2014 to 30 January 2015

Introductory remarks

This is the 25th public insolvency report by the Administrators. The report covers the period from 31 October 2014 to 30 January 2015 and contains financial information on the period up to 31 December 2014. This report should be read in conjunction with the previously published public reports. All the reports, together with the Financial Reports for the years 2009-2013 can be found on the website www.dsbbank.nl.

The insolvency of DSB Bank is legally complex. In this report, the Administrators give a simplified account of the current state of affairs in accordance with the generally accepted standards for insolvency reporting in the Netherlands. The Administrators emphasise that the information in this report is subject to closer examination. It may prove necessary to amend the information given at a later stage. It is accordingly not yet possible to make any statement concerning the completeness or accuracy of the information contained in this report.

No rights may be derived from this insolvency report and/or any subsequent reports. Nothing in this report should be interpreted as acknowledging liability or waiving any rights.

An (unofficial) English translation of this 25th report will again be published on the above website. Reliance can only be placed on the Dutch text.

In conducting their activities, the Administrators make use of the advisory and other services of Houthoff Buruma Coöperatief U.A. (**Houthoff Buruma**), PricewaterhouseCoopers Advisory N.V. (**PwC**) and various other law firms and advisers.

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0. **General information for creditors of DSB Bank**

As regards the position of creditors and customers of DSB Bank with savings accounts, current accounts or deposit accounts whose claims qualified as not subordinated by virtue of the amounts owed to them, reference is made to the DSB Bank website (www.dsbbank.nl) and to previous public reports.

1. **Introduction**

Principal activities in the recent reporting period

For the principal activities of the Administrators in the most recent reporting period, see the first three pages of this public report.

2. **Current situation**

2.1. Management and organisation

See the first public report. For details of the structure of DSB Group, particular reference is made to the two organisation charts appended as Annex 1 to the first public report.

2.2. Balance sheet total on the date of the insolvency

See the first public report, in particular Annex 2.

2.3. Legal proceedings

Having regard to the appeal against the court decision of 11 January 2012, the Administrators refer to the nineteenth public report. This appeal cannot be resumed until after the end of the opt-out period.

As regards the cases in which DSB Bank was claimant as at the date of insolvency and no counterclaim has been submitted, the desirability of pursuing the claims is being examined on an ad hoc basis. The cases where DSB Bank is defendant have been suspended in connection with the insolvency and/or the mass claim settlement (WCAM) proceedings.

Incidentally, DSB Bank also continues to mount debt recovery proceedings on a regular basis, which generally lead to judgements in absentia in the bank's favour.

2.4. Individual cases brought before the courts since the insolvency

There are no more cases pending in which the Administrators have been sued since the date of the insolvency. For the claim validation proceedings currently before the courts, reference is made to Section 8.4 of this public report.

2.5. Insurance

See also the second public report. Where necessary, existing insurance policies have been cancelled or amended, for example in connection with the disposal of property and other assets or termination of leases.

2.6. Rents

Premises rented from group entities

DSB Bank no longer rents any premises from group entities.

Premises rented from third parties

As from 15 December 2014, DSB Bank has been renting the second floor of the building on Geert Scholtenslaan, Wognum, from Messrs Scholtens, having negotiated a five-year lease with a built-in option of reducing the required space.

The lease with the Medemblik Municipal Authority was cancelled on 31 December 2014 and the rented premises have been returned to the landlord.

Premises leased to third parties

See the 12th public report.

3. Staff

3.1. Employees

There are currently 51 people (38.21 FTEs) employed by DSB Bank, excluding the 23 Tadas staff. The insolvent entity also employs the services of 51 freelance professionals (approximately 31 FTEs).

To the Administrators' knowledge, the majority of the former employees of DSB Group have now found new jobs or become self-employed.

3.2. Provisional continuation of activities

DSB Bank staff have recently been mainly involved in implementing the Scheme, in managing the loan portfolio, in specific activities connected with the winding-up operation and in a number of support duties. It continues to be the Administrators' policy to notify the staff at the earliest possible stage concerning the expectations regarding the rundown of the activities concerned.

3.3. Works Council

In view of the reduction in the number of staff, the Works Council will be retained for the time being as the body representing the staff. The Administrators will be keeping the Works Council regularly informed of and involved in important matters.

4. Assets

4.1. General

For a general overview of the assets of DSB Bank at the time the bank was declared insolvent, see Annex 2 to the first public report. For the current position, see Annex 1 to the fifth public report. To supplement these statements, the Administrators have the following comments.

4.2. Mortgages

See the previous public reports. See also Section 6.3 concerning the transfer of the servicing of the loan portfolio to Quion.

4.3. Registered property

See the previous public reports.

4.4. Other assets

The remaining business equipment etc. is being used in connection with the winding-up operations.

4.5. Claim on DSB Ficoholding and on DSB Beheer

In Section 4.6 of the 11th public report and in Section 4.5 of the 14th public report, mention was made of a contested claim on the part of DSB Bank against DSB Ficoholding amounting to €11.3 million in respect of interim dividend paid to DSB Beheer in 2009 to which the latter was not entitled. DSB Ficoholding in turn filed a similar claim in the liquidation of DSB Beheer, which was contested by the administrators of DSB Beheer. A settlement has now been reached in this case, further to which the District Court in Amsterdam gave a ruling on 4 June 2014 as part of the claim validation proceedings under which an amount of €7.9 million of the DSB Ficoholding claim has been allowed in the insolvency of DSB Beheer. A settlement to this effect has been arrived at between DSB Bank and DSB Ficoholding. DSB Bank has since received 8.5% of the receivable totalling €7.9 million, viz. €671,500, from DSB Ficoholding.

4.6. Investments in subsidiaries, associates and joint ventures

For a list of DSB Bank's various (former) subsidiaries, associates and joint ventures, see Annex 1 to the first public report. For financial information relating to these entities, the Administrators make reference to Annex 2 to the first public report. The Administrators have the following specific remarks concerning the individual subsidiaries, associates and joint ventures of DSB Bank.

Sale of Waard Leven, Waard Schade and Tadas

As pledgee of the shares of Waard Leven and Waard Schade and as shareholder of Tadas, DSB Bank agreed the sale of these entities, subject to a number of conditions – including approval by DNB and the authorisation of the supervisory judge – to the UK listed insurance company Chesnara plc on 3 December 2014. The sale will raise a total of approximately €70 million for DSB Bank. All activities are to continue unchanged. All the Tadas employees keep their jobs and nothing changes, obviously, as regards Waard Leven and Waard Schade policyholders

Delivery of the shares and payment of the purchase price are not expected to take place before Q2 2015, pending clearance by DNB.

DSB International B.V.

This company is the subholding company between DSB Bank and the entity now in charge of the Belgian loan portfolio. The shares of this entity were recently sold to a Belgian company. Proceeds from the sale are not material. DSB International B.V. will be wound up in 2015.

4.7. Domain names

The Administrators will be concluding the disposal of the domain name portfolio in the months ahead.

5. Debtors / receivables and duty of care

5.1. General

For a general overview of the receivables position of DSB Bank at the time of the insolvency, reference is made to Annex 2 to the first public report. An update is provided on pages 14 and 15 of the 2013 Financial Report. As at the 31 December 2014, DSB Bank had approximately 87,000 loans to customers outstanding, totalling approximately €4.3 billion (multiple loans to the same borrower in some cases). A proportion of these loans, amounting to over €1.8 billion, has been securitised.

5.2. The WCAM and the Scheme

WCAM decision

On 4 November 2014, the Court gave its Decision under the WCAM, declaring the Scheme binding, including a number of improvements proposed by the Applicants on 8 July 2014.

In November 2014, around 335,000 existing and former DSB Bank customers received a letter explaining the implications of the Scheme having been declared binding. A notice announcing the decision was also placed in the newspapers De Telegraaf, Algemeen Dagblad and Het Financieele Dagblad on Saturday, 8 November 2014.

Between the date on which the Scheme was declared binding and 27 January 2015, almost 31,000 existing and former customers registered for the Scheme. During that period, the website www.dsbcompensatie.nl had almost 60,000 different visitors.

In the period up to 27 January 2015, 248 existing and former DSB Bank customers submitted completed opt-out forms. However, the impression is that many of them do not plan to bring lawsuits against DSB Bank or the Insurers but rather wish to indicate that they wish to close their files. The Administrators intend to look into this matter more closely after the end of the opt-out period in May 2015.

Rollout of the Scheme:

The option for customers to apply for inclusion in the Scheme under the terms of the AoH ceased with effect from 4 November 2014 when the Scheme was declared binding.

A factsheet detailing progress with the rollout of the Scheme (position as at 27 January 2015) can be found in **Annex 2** to this report. The presentation of this annex is the same as that used for the Factsheet (reflecting the position as at 22 April 2014) included as Annex 2 to the previous public report.

Absolutely unnecessary payment protection insurance

In practice, it has been found that hardly any existing and former DSB Bank customers qualify for this part of the Scheme.

Case reviews, objections and appeals

In response to requests from customers for reassessment of the compensation offers they have received, claims are reconsidered on the basis of new facts without initiating legal proceedings. It is also possible for customers to lodge objections with the Administrators regarding the offers they have received. In 2014, 199 customers lodged objections and 32 cases were brought before either the Disputes Committee or the Special Circumstances Committee set up under the AoH. Of these, five cases are currently still being considered. The various decisions reached by the two committees can be found on www.dsbcompensatie.nl. The annual report for 2014 published by the committees is expected to be available on www.dsbcompensatie.nl as from the beginning of March.

Costs of the Scheme

The total costs of the Scheme to the DSB Bank depend in part on the number of customers applying for inclusion in the Scheme. Based on the applications received, a reasonably exact calculation can be made of the amount of compensation involved in respect of mis-selling. In the case of excessive lending compensation, the amount of compensation depends on various factors, such as the personal incomes of the customers on at least two means-testing dates and the extent to which customers have submitted the documentation on which the calculations are based.

The total amount of compensation relating to those customers that had applied for inclusion in the Scheme as at 30 September 2014 is approximately €219 million, including the costs associated with the settlements with a duty-of-care aspect but excluding approximately €20 million now that the amended WCAM agreement has been declared binding.

It should be noted specifically that these figures do not take account of customers from whom applications have been received since 01 October 2014.

It is not possible to say a great deal at this stage regarding the total costs – including the compensation payable in respect of the many claims received since 4 November 2014 – if only because many existing and former customers continue to file claims. The Administrators will be giving further details of the costs of the Scheme in the 2014 Financial Report.

Reference is also made to the attached graph showing the average monthly amounts and numbers of processed claims for mis-selling and excessive lending over the period 2012 - September 2014 (**Annex 3**). This information includes neither the costs of the new claims received since 4 November 2014 nor the costs of the improvements in the Scheme declared binding by the Court.

Insurers

The cooperation with the affected insurers is proceeding smoothly. For further information, reference is made to the 11th public report.

Costs of the Stakeholder Organisations

- 5.3. In Section 5.4. of the 10th Public Report, published on 31 October 2011 (pages 16 and 17) an explanation was given of why the costs of the Stakeholder Organisations were being borne by the insolvent entity. A summary was also given of the costs at that stage for the period up to the end of September 2011. In Section 5.3 of the 19th Public Report, published on 31 October 2013 (page 19), a further statement was given of the costs for the period October 2011 to the end of September 2013.
- 5.4. Given below is a statement of the amounts paid by the insolvent entity (pursuant to the provisions of Article 8.1 of the AoH) to the Stakeholder Organisations in respect of costs in the period October 2013 to the end of December 2014.

(amounts in € x 1,000, all amounts inclusive of VAT, as applicable)

Organisation	Own expenses	Legal fees	Total
Stichting Steunfonds Probleem-hypotheke (mortgage problems)	165	92	257
Stichting Platform Aandelen Lease (lease company shares)	19	165	184
Stichting Belangen Rechtsbijtands-verzekeraars	115	154	270
Total	299	411	710

- 5.5. In addition, the insolvent entity has paid invoices of the auditors appointed by the Stakeholder Organisations jointly to audit the proper implementation of the Compensation Scheme by the insolvent entity.

5.6. Settlement of other complaints

A small proportion of the complaints concern questions not related to duty of care. These complaints will be dealt with on an ad hoc basis.

5.7. Set-off

5.8. Under the general terms and conditions of DSB Bank, customers do not have a right to set off an amount receivable from DSB Bank against the amount they owe to DSB Bank. The Administrators have nevertheless previously agreed that, in those cases where it can be established that a customer's losses are due to dereliction of the duty of care vis-à-vis that customer, whether as a result of a court ruling or an out-of-court settlement, the consequent loss may be set off against the existing amount of that customer's indebtedness to DSB Bank.

5.9. Application for the Compensation Scheme and submission of other complaints

See www.dsbbank.nl and www.dsbcompensatie.nl.

6. Bank finances / collateral security held

Financial statements

6.1. Annex 1 to this public report contains a summary of (i) the income and expenditure of DSB Bank from the date of the insolvency up to the end of June 2014 and (ii) the income and expenditure of DSB Bank during the third quarter of 2014.

6.2. Credit facilities

For a summary of the credit facilities and the associated collateral security provided, reference is made to Annex 2 to the first public report.

Based on the considerations mentioned in the 24th interim public report with a view to enabling an additional distribution of 35% to be made to the unsecured creditors, DSB Bank has renewed the special short-term loan facility, initially for a period of three years, and simultaneously increase the amount so that DSB Bank is now able to borrow up to €1.4 billion from ING Bank N.V., Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. and ABN AMRO Bank N.V. The involvement of three other banks in providing the special short-term loan facility no longer applies. The present drawings under this facility amount to €1.32 billion (position as at 31 December 2014: €1.37 billion).

6.3. Servicing

For the outsourcing of a specific part of the servicing of the consumer credit portfolio, DSB Bank is in negotiations with two players regarding the necessary preparations for effecting a transfer of this part of the portfolio from Quion. Transfer is planned for 1 April 2015. The servicing being performed by Quion is carefully monitored by DSB Bank, with regular meetings to discuss any necessary improvements.

6.4. Outsourcing of ICT

Management of the ICT environment has been contracted out to SLTN. An agreement has been signed with this company to outsource both the ownership and the hosting of the ICT environment. A final decision will be taken at the end of January. If it is decided to go ahead, the plan is to complete the outsourcing project by the end of Q2 2015. The existing contract will then be replaced by a new contract governing the entire ICT service provision.

6.5. Securitisation programmes

The key figures relating to the underlying loan portfolios connected with the individual securitisation programmes are supplied to the SPVs. This information forms part of the

periodical reports sent by the SPVs to the holders of the notes issued by them (noteholders).

The Administrators also hold regular meetings with the SPVs and provide information to the rating agencies and noteholders in conference calls organised by the SPVs.

In January 2012, the Administrators wrote to the SPVs to advise that they were prepared to make distributions relating to the claims of the SPVs connected with debt restructuring measures affecting securitised loans. Since then, this offer has been extended to claims of the SPVs connected with duty-of-care compensation payments that have been set against securitised loans.

6.6. Lease contracts

DSB Bank currently still has six lease contracts relating to company cars of DSB Bank staff. No new lease contracts will be entered into except for very limited periods. There are no longer any lease contracts relating to employees of other group companies.

6.7. Hedges

Agreement has now been reached regarding the submitted invoices for all the interest rate swap contracts predating the insolvency. In a number of cases, interest rate contracts have been reinstated with DSB Bank. These contracts are expected to produce significant gains for the insolvent entity in the years ahead. Where DSB Bank has an interest rate risk as a consequence, that risk has been largely hedged.

6.8. Interest rate policy

The policy on interest rates and penalties adopted by the Administrators can be found on the website www.dsbbank.nl.

7. **Lawfulness**

7.1. Investigation into the causes of the insolvency

The report on the 'inquiry into the causes of the insolvency of DSB Bank N.V.' was published on 19 June 2012 as an annex to the thirteenth public report. The DSB Beheer B.V. inquiry report was published simultaneously. Both reports can be found on www.dsbbank.nl. The Administrators are discussing possible follow-up actions with both the Creditors' Committee and the supervisory judge.

7.2. Liability of DNB

A court case was brought against DNB on 5 November 2013 by the Administrators together with three organisations representing DSB Bank customers, viz. Vereniging DSB-spaarder.nl, Vereniging DSBdepositos.nl and Stichting Belangen Rechtsbijstandverzekeren DSB. Amongst other things, a judgement of the court is being sought to the effect that DNB acted unlawfully vis-à-vis DSB Bank and/or its creditors. DNB submitted its statement of defence on 16 April 2014, rebutting all aspects of the claims filed against it. On Tuesday, 16 December, and Friday, 19 December 2014, the case was heard by the bench of the District Court. The court is aiming to deliver its verdict on Wednesday, 4 March 2015.

8. **Creditors / payables**

8.1. Creditors' Committee

In the recent reporting period, the Creditors' Committee was made up of Chapel 2003-I B.V., ING Bank N.V. and Mrs T. de Graaf. Meetings with the Committee were held on 5 November and 3 December 2014 during the reporting period. Meetings are held to discuss the developments surrounding the winding-up operation. Where necessary, contact is maintained by telephone and email in the interim. Requests for advice on proposed

decisions are made by the Administrators to the Creditors' Committee as and when required by law. The Creditors Committee has appointed lawyers to look into the legal aspects on behalf of the Committee. The Administrators are also in regular contact with this legal team.

8.2. Assignment of allowed claims

There have been a total of 249 cases of assignment relating to 248 unsecured claims (one claim has been the subject of two separate assignments), representing a face value of approximately €10.2 million.

8.3. Meetings of creditors pursuant to Section 178 of the Insolvency Act (FW)

Another creditors' meeting was held on 13 November 2014. At this meeting, 576 claims, totalling €1.3 million, were allowed.

8.4. Remaining claim validation proceedings against the Administrators

There are currently five claim validation proceedings awaiting a decision. In relation to these claim validation proceedings, the Administrators have the following comments:

Dereliction of the duty of care and/or unlawful action on the part of DSB Bank

Two customers accuse DSB Bank of failure in its duty of care. In addition, one of these creditors accuses DSB Bank of unlawful seizure. Both these proceedings remain on the case list, pending the end of the opt-out period for the WCAM Scheme, when consideration of their merits will be resumed.

Pensions

The pension claims made by Mr and Mrs Scheringa, amounting to €8.8 million and €1 million, respectively, were contested at the meeting of creditors on 29 November 2012. In the case brought as a consequence of the contesting of the claims, the complaint seeking to have the claims of Mr and Mrs Scheringa upheld is due to be presented in court on 1 April 2015.

8.5. Liabilities of the insolvent entity

In view of the position of the insolvent entity, the Administrators continue to pay amounts agreed by them as being owed by the insolvent entity as quickly as possible.

9. Other

9.1. Tax matters

See Section 9.1 of the ninth public report.

9.2. Netherlands Authority for the Financial Markets (AFM) and DNB

The Administrators have regular meetings with the AFM and also with DNB to discuss current issues.

9.3. Provision of information

DSB Bank customers are notified in writing regarding relevant decisions by the Administrators or actions which they should take. The Administrators also provide information on the websites www.dsbbank.nl and www.dsbcompensatie.nl.

All questions relating to the outstanding loans (such as repayment, early repayment, arrears, changes of address and interest rates) should be addressed to Quion, which took over the servicing of the loan portfolio from DSB Bank on 20 June 2013. The number to call for Quion's customer contact centre is 010 - 2422200.

For questions relating to the Scheme / WCAM mass claim settlement, customers can email curatoren@dsbbank.nl or telephone the DSB Bank call centre. The call centre is open from 08:30 to 17:30 on business days on tel. 088 - 372 30 00 (local call rate).

9.4. Activities and time spent

The activities involved in the administration of DSB Bank and the implementation of the Scheme are carried on by 51 DSB Bank employees and 51 freelance professionals (see Section 3.1).

The Administrators have also engaged various parties to provide support with the liquidation process, including Houthoff Buruma (legal and tax consultancy) and PwC (accountancy, tax consultancy and IT-related services) as well as various other outside specialists.

The Administrators along with the legal and tax consultants of Houthoff Buruma have together spent approximately 2,097 hours in the period 1 October 2014 to 31 December 2014 on the insolvency of DSB Bank. PwC spent approximately 213.5 hours on the insolvency of DSB Bank in the reporting period. In the period 1 July 2014 to 30 September 2014, PwC spent a total of approximately 283 hours on the insolvency of DSB Bank.

9.5. Timetable for the settlement of the liquidation

In any event, the liquidation process will continue to require intensive activities during 2015. The final winding-up operations will then undoubtedly continue for a considerable number of years to come, albeit involving work of decreasing intensity.

9.6. Plan of approach

In the next reporting period, too, the Administrators and the organisation of the insolvent entity will continue to work methodically on the settlement of the liquidation. The Administrators will be focusing on:

The management of the loan portfolio;

The correct implementation of the Scheme;

The recording and validation of claims.

9.7. Publication of the next report

The next periodical public report is expected to be published at the end of April 2015.

Wognum, 30 January 2015

R.J. Schimmelpenninck
Administrator

B.F.M. Knüppe
Administrator

Annexes:

- Annex 1: Summary of the income and expenditure of DSB Bank from the date of the insolvency up to 31 December 2014 and of the income and expenditure during the fourth quarter of 2014.
- Annex 2: Factsheet on the Scheme as at 27 January 2015
- Annex 3: Graph showing average amounts and numbers of mis-selling compensation and excessive lending claims.