

# INSOLVENCY REPORT

Insolvency Report No. 27 by the Bankruptcy trustees of

**DSB Bank N.V.**

**31 July 2015**

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*The public insolvency reports of DSB Bank N.V. (DSB Bank) are published online on the website [www.dsbbank.nl](http://www.dsbbank.nl). The bankruptcy trustees of DSB Bank (**Bankruptcy trustees**) will also be using these websites in the future to publish other information concerning the case and the progress of the insolvency proceedings.*

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## **MAIN POINTS OF THIS REPORT**

- The Bankruptcy trustees have safeguarded the appeal period in the case brought against De Nederlandsche Bank N.V. (**'DNB'**) by the Bankruptcy trustees and three stakeholder organisations of existing and former customers with claims against DSB Bank by commencing appeal proceedings against the verdict of the District Court delivered on 29 April 2015 in conjunction with the stakeholder organisations concerned.
- The special long-term loan facility stood at €1,265 million as at 30 April 2015 and the current figure is €1,160 million. This special long-term loan is to be repaid out of cash flow over the years 2015–2020. Only after that will it be possible for DSB Bank to resume distributions to unsecured creditors.
- As at 30 June 2015, the total amount of DSB Bank's obtained loans was €4.1 billion, of which €2.4 billion was on the bank's own books and €1.7 billion was in the form of securitised loans.
- In September 2011, along with three stakeholder organisations representing the interests of existing and former customers of DSB Bank with complaints concerning duty of care (the **'Stakeholder Organisations'**), and other parties, the Bankruptcy trustees reached Heads of Agreement (**'AoH'**) covering among other things a mass compensation scheme (the **'Scheme'**). The Amsterdam Court of Appeal (the **'Court'**) subsequently declared the Scheme binding under the Mass Claims Settlement Act (**'WCAM'**) on 4 November 2014. See also [www.dsbcompensatie.nl](http://www.dsbcompensatie.nl), the joint website of the Bankruptcy trustees and the Stakeholder Organisations.

- As a consequence, under the Scheme, existing and former customers of DSB Bank had until 8 May 2015 to indicate that they did not wish to be bound by the Scheme ('**opt out**') and 300 claimants have opted out, of whom 297 qualify as existing or former customers of DSB Bank. Additionally, existing and former DSB Bank 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 July 2015, the Bankruptcy trustees received more than 37,500 applications and applications are still coming in at a rate of around 150 a week on average.
- Implementation of the Scheme is still progressing smoothly. Almost 20,700 claims from existing and former customers have now been settled with payment of compensation for insurance mis-selling and almost 300 claims for excessive lending have been approved.
- As at the end of June 2015, 14,400 new claims had been registered from existing and former customers to whom compensation has been awarded for mis-selling of insurance. Since these existing and former customers no longer had any indebtedness to DSB Bank in respect of loans, they have unsecured claims, on which 74% has already been or will be paid out. The total number of claimants has roughly doubled as a consequence since December 2014, to almost 29,000.
- The process of settling the applications for compensation under the AoH that were still being processed on 4 November 2014 and the extra compensation payable to existing and former customers who had already accepted the terms of the AoH but subsequently qualified for the improvements in compensation awarded by the Court has almost been completed.
- As pledgee of the shares of Waard Leven B.V. ('**Waard Leven**') and Waard Schade B.V. ('**Waard Schade**') and as shareholder of Tadas Verzekeringen B.V. ('**Tadas**'), DSB Bank agreed the sale of these entities, subject to a number of conditions, to the UK listed insurance company Chesnara plc on 3 December 2014. With all the conditions satisfied, delivery of the shares and payment of the purchase price took place in May 2015. The total proceeds for DSB Bank amount to approximately €70 million.
- The sale of Waard Leven and Waard Schade made it possible to finalise the amount of the additional claim by DSB Bank against DSB Beheer B.V. ('**DSB Beheer**') at approximately €10.1 million. The Bankruptcy trustees of DSB Beheer will shortly be making an initial distribution of 8.5% to DSB Bank in respect thereof.

### Prospects for creditors:

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

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

In the context of the eighth distribution of 35% in December 2014, it should be borne in mind that the special short-term loan has to be repaid out of cash flow over a period of approximately five years. Accordingly, it is not expected to be possible to distribute any further percentages to the creditors before 2020.

The Bankruptcy trustees do, however, believe it will be possible in due course, based on current projections, to pay in full the amounts owed to both unsecured creditors and subordinated creditors, provided the existing policy as regards winding up the loan portfolio (run-off scenario) continues to be pursued for at least five years.

If, in the longer term, all the creditors have been paid in full, it should be possible to use any remaining balance to make payments in respect of the accrued interest owed to the creditors. This generally concerns the interest calculated on the amounts owed to the creditors since the date of insolvency. Existing and former customers with a claim on DSB Bank under the Scheme will not be able to claim payment of interest until a later date.

Details of company	: <b>DSB Bank N.V.</b>
Insolvency case number	: F13 / 09 / 798
Decision date	: Emergency ruling : 12 October 2009 Insolvency : 19 October 2009
Bankruptcy trustees	: R.J. Schimmelpenninck and B.F.M. Knüppe
Supervisory judge	: M.J.E. Geradts (District Court Noord-Holland, Amsterdam branch)
Reporting period	: 30 April 2015 to 31 July 2015

### **Introductory remarks:**

This is the twenty-seventh public insolvency report by the Bankruptcy trustees. The report covers the period from 30 April 2015 to 31 July 2015 and contains financial information on the period up to 30 June 2015. This report should be read in conjunction with the previously published public reports. All the reports, together with the Financial Reports for the years 2009-2014 can be found on the website [www.dsbbank.nl](http://www.dsbbank.nl).

The insolvency of DSB Bank is legally complex. In this report, the Bankruptcy trustees give a simplified account of the current state of affairs in accordance with the generally accepted standards for insolvency reporting in the Netherlands. The Bankruptcy trustees 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.

This (unofficial) English translation of this twenty-seventh report will again be published on the above website. Reliance can only be placed on the Dutch text.

In conducting their activities, the Bankruptcy trustees 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](http://www.dsbbank.nl)) and to previous public reports.

## **1. Introduction**

### Principal activities in the recent reporting period

For the principal activities of the Bankruptcy trustees in the most recent reporting period, see the first two pages of this public report.

## **2. Current situation**

### **2.1. Management and organisation**

See the first public report. For details of the corporate structure of which DSB Bank forms part, 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**

As stated in the eleventh public report (Section 2.3), the District Court in The Hague gave an interim ruling on 11 January 2012 in debt recovery proceedings brought by the Bankruptcy trustees. In this case, the counterclaim against the Bankruptcy trustees was ruled inadmissible. In passing judgement, the court did, however, take into account the alleged dereliction of duty of care as defence but ruled, in this case, that neither the loan agreements entered into nor the related single-premium policies qualified as complex products. With regard to the single-premium policies, the court ruled that DSB Bank had not been guilty of dereliction of duty in selling single-premium policies. In relation to the endowment policies taken out by claimants, the court considered that – having particular regard to the in some cases advanced age of customers at the time of buying the product – DSB Bank had, however, failed in its duty to provide proper information and warnings. The court gave parties the opportunity to express their views concerning the amount of compensation. For details of said judgements, reference is made to the website [www.dsbcompensatie.nl](http://www.dsbcompensatie.nl)

As stated in the twelfth public report (Section 2.3), the Bankruptcy trustees subsequently appealed this interim judgement but these appeal proceedings were then suspended in connection with the request by the Bankruptcy trustees

to have the WCAM Scheme declared binding (nineteenth public report, Section 2.3). Heads of agreement on an out-of-court settlement have now been reached with the counterparties and the appeal proceedings will be dropped when all the terms of the settlement have been fully met.

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 (now expired) opt-out period. In a number of these cases, a valid opt-out was submitted before the end of the opt-out period. The desirability of pursuing these cases is being examined. With regard to those cases in which DSB Bank appears as defendant and no opt-out has been submitted, the claimants are now bound by the settlement under the Scheme. In these cases, too, the desirability of pursuing them is being examined.

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

2.4. Individual cases brought before the courts since the insolvency

There are no more cases pending in which the Bankruptcy trustees have been sued since the date of the insolvency. For an overview of the remaining claim validation proceedings see 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*

Since 15 December 2014, DSB Bank has been renting the second floor of the premises on Geert Scholtenslaan, Wognum, from Scholtens firm on a five-year lease including a flexibility clause enabling the rented floor space to be reduced as necessary.

*Premises leased to third parties*

The office building at J. Duikerweg 15b, Heerhugowaard, is the unencumbered property of DSB Bank and parts of this building are currently leased to Tadas,

Waard Leven, Waard Schade and the payment collection department of Quion. See also Section 4.3 of this public report.

### **3. Staff**

#### **3.1. Employees**

There are currently 38 people (31.53 FTEs) employed by DSB Bank. The bankrupt estate also employs the services of 27 freelance professionals (approximately 20 FTEs), for, among other things, implementing the Scheme.

To the Bankruptcy trustees' knowledge, most of the former employees of DSB Bank have now found new jobs or have become self-employed.

#### **3.2. Continuation of activities**

DSB Bank staff have recently been mainly involved in managing the loan portfolio, in specific activities connected with the winding-up operation, in a number of support duties and in implementing the Scheme. It continues to be the Bankruptcy trustees' 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 shortly continue in existence as an informal body representing the staff. This staff representative body will be kept regularly informed and/or involved by the Bankruptcy trustees regarding 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 Bankruptcy trustees 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 and two other service organisations for a specific part of the loan portfolio.

#### **4.3. Registered property**

See the previous public reports. It has since been decided to place the real estate in Heerhugowaard, which is the unencumbered property of DSB Bank,



with an agent with a view to actively marketing it for sale. See also Section 2.6 of this public report.

4.4. Other assets

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

4.5. Claims on DSB Beheer and on DSB Ficoholding B.V. ('Fico')

The sale of the shares of Waard Leven and Waard Schade, which were assets of Fico but which were pledged to DSB Bank as security for DSB Bank's receivables from DSB Beheer, meant that the Bankruptcy trustees were able to reach agreement with the bankruptcy trustees of DSB Beheer concerning the amount of DSB Bank's additional receivable from DSB Beheer, at a figure of approximately €10.1 million. The Amsterdam District Court is expected to recognise this receivable in a claim validation judgement to be delivered in August 2015. DSB Bank can then expect to receive an initial distribution of 8.5% of the amount. DSB Bank's original claim against DSB Beheer amounted to more than €56 million, of which 8.5% has already been paid.

There was no change in the reporting period in the amount of DSB Bank's receivable from its shareholder Fico, originally amounting to €11.3 million. Since then, Fico has paid DSB Bank €671,000. The liquidation of the shares of Waard Leven and Waard Schade, being assets of Fico (but pledged to DSB Bank) gives Fico a right to recover in excess of €39.8 million from DSB Beheer. This claim, too, is expected to be validated by the Amsterdam District Court in August 2015. Fico can then expect to receive an initial distribution of 8.5% from the insolvency of DSB Beheer, which amount will then immediately be paid by Fico to its sole creditor, DSB Bank.

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 Bankruptcy trustees make reference to Annex 2 to the first public report. The Bankruptcy trustees 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 disposed of these entities under a number of conditions to the listed UK insurance company Chesnara plc on 3 December 2014. With all the terms and conditions satisfied, delivery of the shares and

payment of the purchase price took place in May 2015. The total proceeds for DSB Bank amount to approximately €70 million. However, part of the proceeds – €5 million – is currently held in escrow to cover guarantees given to Chesnara by DSB Bank. In connection with the sale, all financial accounts between Waard Leven, Waard Schade and Tadas on the one hand and DSB Bank on the other were simultaneously settled as far as possible.

*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. There were no material proceeds from the disposal. DSB International B.V. will be wound up in the course of 2015.

Recent receipts totalling in excess of €8 million mean that all aspects of the mortgage portfolio as far as Belgium is concerned have now been settled.

4.7. Domain names

The Bankruptcy trustees 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 2014 Financial Report.

As at the end of June 2015, DSB Bank had approximately 80,000 loans to customers outstanding, totalling approximately €4.1 billion (multiple loans to the same borrower in some cases). A proportion of these loans, amounting to over €1.7 billion, has been securitised.

5.2. The WCAM and the Scheme

*WCAM decision and opt-in*

Between the date on which the Scheme was declared binding and 27 July 2015, the Bankruptcy trustees received more than 37,500 applications. The website [www.dsbcompensatie.nl](http://www.dsbcompensatie.nl) was accessed more than 120,000 times over that period.

For details of the progress with the processing of these new applications in the period up to 27 July 2015, see the appended factsheet (**Annex 2**), from which it can be seen, amongst other things, that almost 20,700 claims from existing and former customers have now been settled with payment of compensation for

insurance mis-selling. Almost 300 compensation claims for excessive lending have now also been honoured.

Existing and former customers of DSB Bank still have until 8 November 2015 to apply for compensation under the Scheme. Between the date on which the Scheme was declared binding and 27 July 2015, the Bankruptcy trustees received more than 37,500 applications and applications are still coming in at a rate of around 150 a week on average. In order to make it clear to existing and former customers that the opt-in period clock is ticking, a countdown timer has been incorporated on the homepage of [www.dsbcompensatie.nl](http://www.dsbcompensatie.nl) showing exactly how many months, days and hours remain for DSB Bank's existing and former customers to apply for the Scheme.

#### *Opt-outs*

By the end of the opt-out period, 300 individuals had submitted formal opt-outs, of whom 297 qualify as existing or former customers of DSB Bank. However, the impression is that many of them do not plan to take DSB Bank to court but simply wish to close their files.

#### *Settlement of compensation claims under the AoH*

The opportunity for customers to claim compensation under the AoH ended when the Scheme was declared binding on 4 November 2014. The processing of the outstanding files relating to the claims submitted prior to 4 November 2014 has almost been completed. This also applies to the award of extra compensation to existing and former customers who had previously accepted the terms of the AoH but subsequently qualified for the improvements in compensation awarded by the Court in the WCAM decision.

#### *Absolutely unnecessary payment protection insurance*

In practice, it has been found that hardly any existing or former customers of DSB Bank 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 Bankruptcy trustees regarding the offer they have received. Customers also have the option of appeal to the Disputes Committee or Exceptional Circumstances Committee. The Disputes Committee is currently considering one appeal and there are no appeals currently before the Special Circumstances Committee. The decisions of the two committees can be found

on [www.dsbcompensatie.nl](http://www.dsbcompensatie.nl). The annual report for 2014 produced by the Committees has also been published on this website.

#### *Costs of the Scheme*

The Bankruptcy trustees plan to include a comprehensive financial summary of all the compensation payments made in the twenty-ninth public report due to be published on 29 January 2016. Details will also be disclosed on that occasion concerning the amount of the associated operating expenses over the years. For the amounts paid out in compensation up to year-end 2014 – including the provision for new applications received from 1 January 2015 onwards – see also page 30 of 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–June 2015 (**Annex 3**).

#### *Insurers*

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

#### 5.3. Settlement of other complaints

A small proportion of the complaints concern questions not related to duty of care. These complaints are being dealt with on an individual basis.

#### 5.4. Set-off

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 Bankruptcy trustees 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.

#### 5.5. Application for the Scheme and submission of other complaints

See [www.dsbbank.nl](http://www.dsbbank.nl) and [www.dsbcompensatie.nl](http://www.dsbcompensatie.nl).

### **6. Bank finances / collateral security held**

#### 6.1. Financial statements

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

2015 and (ii) the income and expenditure of DSB Bank during the second quarter of 2015.

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.

For the considerations mentioned in the twenty-fourth, interim public report supporting an additional distribution of 35% to unsecured creditors, DSB Bank extended the special long-term loan facility, initially for a period of three years, simultaneously increasing the amount so that DSB Bank can borrow up to a maximum of €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 the special long-term loan facility has been ended. Borrowing under the special long-term loan facility currently stands at €1,355 million (the position as at 30 April 2015 was €1,265 million).

6.3. Servicing

The second transfer of the administration of the selected tranche of the consumer credit portfolio (loans more than 12 months in arrears) was successfully completed over the weekend of 20 and 21 June 2015. The customers concerned were advised of the transfer by both DSB Bank and the new servicing organisation. The third tranche has since been successfully transferred in July 2015. All the selected consumer credit loans have therefore now been transferred to either Vesting Finance or Ultimoo. A review is carried out each month to identify any consumer credit loans warranting transfer. These administration transfers will in principle take place on a monthly basis. Initial results of the management of the portfolio by both Vesting Finance and Ultimoo are promising. Intensive contact continues to be maintained with Quion and there is cooperation as necessary on improvement of the activities.

6.4. Outsourcing of ICT

The new telephone helpdesk solution has now been successfully implemented. The next step is a new digital/desktop workstation solution, implementation of which is scheduled for mid-July. Parallel with this, preparations are in hand for the migration of the DSB Bank data centre to that of SLTN, which is still planned to take place by mid-September this year. Currently, preparations are being made for the transfer of the existing data centre in Wognum to the SLTN data centre, and are on track. All these activities are part of the ICT 2.0 project and are receiving the attention of the management of the bankrupt estate.

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 Bankruptcy trustees 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 Bankruptcy trustees 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. Four SPVs are taking advantage of this offer.

6.6. Lease contracts

DSB Bank still has five vehicles on operating leases.

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 bankrupt estate 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 Bankruptcy trustees can be found on the website [www.dsbbank.nl](http://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. The Bankruptcy trustees 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 Bankruptcy trustees together with three organisations representing DSB Bank customers, viz. Vereniging DSBspaarder.nl, Vereniging DSBdepositos.nl and Stichting Belangen Rechtsbijstandverzekerden DSB. Amongst other things, a judgement of the court was sought to the effect that DNB had acted unlawfully vis-à-vis DSB Bank and/or its creditors.

On 29 April 2015, the Amsterdam District Court delivered its verdict in the above case. The Court's decision was published on [www.rechtspraak.nl](http://www.rechtspraak.nl) and in JOR 2015/206 (comment by E.J. van Praag). The court rejected all claims against DNB. The Bankruptcy trustees have safeguarded the appeal period by commencing appeal proceedings against the District Court's decision in conjunction with the stakeholder organisations concerned.

## 8. **Creditors / payables**

### 8.1. Creditors' committee (the "**Committee**")

In the recent reporting period, the Committee was made up of Chapel 2003-I B.V., ING Bank N.V. and Mrs T. de Graaf. A meeting with the Committee was held on 24 June 2015 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 Bankruptcy trustees to the Committee as and when required by law. The Committee has appointed lawyers to look into the legal aspects on behalf of the Committee. The Bankruptcy trustees are also in regular contact with this legal team.

### 8.2. Assignment of allowed claims

There were no new assignments in the reporting period. There have been a total of 333 cases of assignment relating to 332 unsecured claims (one claim has been the subject of two separate assignments), representing a face value of approximately €12.9 million.

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

There will be no further meetings pursuant to Section 178 of the Insolvency Act (FW) in the short term. By far the majority of the 'new' creditors have claims under the Scheme, which, pursuant to Section 110, subsection 3, and Section 179 of the Insolvency Act do not have to be formally validated. Additionally, all new creditors will be paid an interest-free advance equal to the amount of the distributions they have missed so that they do not have to wait for their money unnecessarily.

8.4. Remaining claim validation proceedings against the Bankruptcy trustees

There are currently four claim validation proceedings awaiting a decision. In relation to these claim validation proceedings, the Bankruptcy trustees 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. One of these cases is on the case list for 7 October 2015 with a view to proceeding on that date if necessary. The merits of the other case are currently being examined.

*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. The cases have been struck off ex officio by the competent judge but can be reinstated at any time for further proceedings.

8.5. Estate debt

In view of the position of the bankrupt estate, the Bankruptcy trustees continue to pay amounts agreed by them as being owed by the bankrupt estate 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 Bankruptcy trustees 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 Bankruptcy trustees or actions which they should take. The Bankruptcy trustees also provide information on the websites [www.dsbbank.nl](http://www.dsbbank.nl) and [www.dsbcompensatie.nl](http://www.dsbcompensatie.nl).

All questions relating to the outstanding loans (such as repayment, early repayment, arrears, changes of address and interest rates) can 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 010-242 22 00.



For questions relating to the Scheme / WCAM mass claim settlement, customers can email [curatoren@dsbbank.nl](mailto: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 38 DSB Bank employees and 27 freelance professionals (see Section 3.1).

The Bankruptcy trustees 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 Bankruptcy trustees along with the legal and tax consultants of Houthoff Buruma have together spent approximately 930.6 hours in the period 1 April 2015 to 30 June 2015 on the liquidation of DSB Bank. PwC spent approximately 73.5 hours on the insolvency of DSB Bank in the reporting period.

9.5. Timetable for the settlement of the liquidation

In any event, the liquidation process will continue to require intensive activities during 2015. In connection with the run-off of the loan portfolio, the final winding-up will then undoubtedly take several more years, albeit involving work of decreasing intensity.

9.6. Plan of approach

In the next reporting period, too, the Bankruptcy trustees and the organisation of the bankrupt estate will continue to work methodically on the settlement of the liquidation. The Bankruptcy trustees will be focusing on:

- The management of the loan portfolio;
- The correct implementation of all aspects of the Scheme;
- An efficient office organisation for the bankrupt estate;
- Proper monitoring of outsourced services.

9.7. Publication of the next report

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

Wognum, 31 July 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 30 June 2015 and of the income and expenditure during the second quarter of 2015.
- Annex 2: Factsheet on the WCAM as at 27 July 2015.
- Annex 3: Graph showing average amounts and numbers of insurance mis-selling compensation and excessive lending claims up to the end of June 2015.