

# FINAL INSOLVENCY REPORT

Insolvency Report No **46** by the Bankruptcy Trustees of

**DSB N.V.**

**(formerly called DSB Bank N.V.)**

**21 December 2021**

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*The public insolvency reports of DSB N.V. (formerly called DSB Bank N.V.) with its registered office in Amsterdam ("DSB") are published online on the website [www.dsbbank.nl](http://www.dsbbank.nl). The trustees in the bankruptcy of DSB (Bankruptcy Trustees) used this website to publish other information concerning the case and the progress of the insolvency proceedings.*

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## **MAIN POINTS OF THIS REPORT**

- As stated in the forty-fifth interim public insolvency report (**public report**) by the Bankruptcy Trustees, the remaining loan portfolio was transferred on 17 November 2021.
- In consequence, the Bankruptcy Trustees had sufficient cash available to pay the full amount of the remaining claims of unsecured and subordinated creditors. The Bankruptcy Trustees subsequently filed the final distribution list with the clerk of the Amsterdam District Court on 6 December 2021. As no objections were lodged, the final distribution list was declared binding at the end of the day on 17 December 2021.
- The insolvency of DSB was completed by operation of law when the final distribution list was declared binding. The actual payment of the final distribution to the unsecured and subordinated creditors whose bank account details are known was then made on 20 December 2021. As a result, these creditors have received 100% of their validated claims.
- The name of DSB was changed by an amendment of the articles of association on Friday 17 December 2021 since the company is no longer entitled to use the element "bank" in its name after the completion of the insolvency.
- As the insolvency has now been completed, this is the final public report that the Bankruptcy Trustees will publish. This public report covers the final reporting period of the insolvency. As this is the final public report, a review of the entire period of the insolvency is presented in **Annex 1**.
- It is now the responsibility of the director of DSB, who is also the liquidator (*vereffenaar*) under the articles of association of DSB, to distribute the remaining balance to eligible creditors. As previously stated, this concerns interest claims since the date DSB was declared bankrupt. Such interest claims could not be verified during the insolvency of DSB. See [www.dsbbank.nl](http://www.dsbbank.nl) for more information on the further settlement of DSB.

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## DISTRIBUTION TO CREDITORS

In total, the Bankruptcy Trustees have made the following interim distributions to creditors:

	Month	Distributed to preferential creditors	Distributed to unsecured creditors	Distributed to subordinated creditors
1st distribution	June 2011	100%	15%	-
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%	-
9th distribution	December 2019	-	4%	-
10th distribution	September 2021	-	2.5%	-
11th distribution	December 2021	-	19.5%	100%
	<b>Total</b>	100%	100%	100%

In the period 2015-2017, the Bankruptcy Trustees made the Offer to nearly all unsecured and subordinated creditors. The creditors who accepted the Offer received payment in full of their validated claims and so waived all rights to payment of interest or to bring any other claims against DSB or third parties. This also applies to the 21 banks that accepted the Bankruptcy Trustees' Offer made at the end of 2017. For further details of these matters, see the thirty-ninth public report.

A final distribution was made to unsecured and subordinated creditors whose bank account details are known on 20 December 2021. Consequently all validated claims of these creditors have been paid in full.

The balance remaining after payment of the final distribution is over €650 million. It is now the responsibility of the director of DSB, who is also the liquidator (*vereffenaar*) under the articles of association of DSB, to distribute that remaining balance to eligible creditors. As previously stated, this concerns interest claims since the date DSB was declared bankrupt. Such interest claims could not be verified during the insolvency of DSB. The Bankruptcy Trustees estimated the interest claims at the end of 2021 at €785 million.

Details of company       **DSB N.V.** (formerly called DSB Bank N.V.)  
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       : Ms A.E. de Vos (Noord-Holland District Court, Amsterdam Bench)

Reporting period         : 30 October 2021 to 17 December 2021

**Introductory remarks:**

This is the forty-sixth public insolvency report by the Bankruptcy Trustees. The report covers the period from 30 October 2021 to 17 December 2021 and the financial information covers the period from 1 October 2021 to 17 December 2021. 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 to 2021, can be found on the website [www.dsbbank.nl](http://www.dsbbank.nl).

The insolvency of DSB was legally complex. In this report, the Bankruptcy Trustees give a simplified account of their concluding activities

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.

In conducting their activities, in addition to the use of employees of Finqus and freelance professionals in Wognum, the Bankruptcy Trustees made use of the advisory and other services of Houthoff Coöperatief U.A. (Houthoff) and of various other law firms and advisers, including PwC.

## 1. Introduction

### 1.1. Principal activities in the recent reporting period

For the principal activities of the Bankruptcy Trustees in the past reporting period, see the first pages of this public report. More specifically, the remaining loan portfolio was transferred in the past reporting period. For more information on the transfer, see the forty-fifth public report and section 4 of this public report.

## 2. Current situation

### 2.1. Management and organisation

For details of the corporate structure of which DSB currently forms part, the Bankruptcy Trustees refer to Annex 1 to the 36th public report.

The name of DSB was changed by an amendment of the articles of association on Friday 17 December 2021 since the company is no longer entitled to use the element 'bank' in its name after the completion of the insolvency. It should, however, be noted that Mr R. Douma – already a director of DSB – has acted by operation of law as liquidator (*vereffenaar*) of DSB since the completion of the insolvency.

### 2.2. Procedures

Since 1 January 2018, debt collection proceedings have, where necessary, been the responsibility of Finqus. As a result of the sale of the loan portfolios, it is now the new owners of the claims who decide on ongoing and new collection procedures.

## 3. Staff

### 3.1. Continuation of activities

DSB has entered into a service agreement with Finqus for the performance of administrative activities.

## 4. Assets

### 4.1. General

Until recently, DSB's principal assets were the remaining loan portfolio and two participating interests. They are now only the shares in Finqus and cash.

### 4.2. Sales process

The remaining loan portfolio was transferred on 17 November 2021 to (a subsidiary of) NIBC Bank N.V. (**NIBC Bank**) following receipt of the approval of the Netherlands Authority for Consumers and Markets (**AFM**) on 6 August 2021 and a declaration of no objection from De Nederlandsche Bank N.V. (**DNB**) on 8 November 2021. Finqus received over €1.4 billion from NIBC Bank on 17 November 2021, of which €16 million is still being held in escrow. This was the balance of the purchase price of approximately €1,650 million at 1 February 2021 with settlement of income and portfolio costs. See the forty-fifth interim public report for further information on the transfer.

The forty-fifth public report stated that an amount of €45 million of the receipts had been

deposited on a blocked account for a period of up to one year. An amount of €29 million has since been released. The release was connected with the registration of the transfer with the Tax and Customs Administration and the transfer of mortgage rights with foreign surety. This final transfer was carried out by means of a legal demerger (*juridische splitsing*) and subsequent transfer of shares to NIBC Bank. The remaining €16 million will remain on a blocked account until November 2022.

Ahead of this transaction with NIBC Bank, part of DSB's loan portfolio had, as stated in the forty-third public report, been transferred to Intrum Nederland B.V. (**Intrum**) in May 2021. It was agreed with Intrum that €5 million would be held on a blocked account until May 2022.

#### 4.3. Investments in subsidiaries, associates and joint ventures

In addition to a 100% interest in Finqus, DSB had a 100% interest in DSB International B.V. This company was wound up on 23 November 2021.

#### 4.4. Cash

As DSB had assigned the loan portfolio to Finqus some time ago, NIBC Bank paid the aforementioned purchase price to Finqus. Finqus then used it first to repay the loan that DSB had granted to Finqus in January 2018 (see section 5.1 of this public report). Finqus also used part of the sum received to pay a dividend to DSB.

The current positive cash balance of DSB is being held at ABN AMRO against a variable interest rate, on which negative interest of 0.70% per year is being charged. DSB will use this cash for the final distribution (see section 7.3 of this public report).

See section 8.4 of this public report for the use of the surplus on winding up remaining after payment of the final distribution.

### **5. Debtors/receivables and duty of care**

#### 5.1. General

For a general overview of the receivables position of DSB at the time of the insolvency, reference is made to Annex 2 to the first public report.

DSB granted a loan to Finqus on 1 January 2018 in connection with the transfer of (management of) the loan portfolio, and various supplementary loans were granted thereafter. Finqus repaid all these loans in November 2021.

#### 5.2. Management and size of loan portfolio

Since the remaining loan portfolio was transferred to NIBC Bank on 17 November 2021, NIBC Bank has also taken over management of the loan portfolio. As part of the agreements made on the sale, Finqus will continue to carry out work on the loan portfolio for NIBC Bank for a limited transitional period. This means that neither DSB nor Finqus (on its own behalf) is managing loans.

#### 5.3. Submission of complaints

As a result of the transfer of the loan portfolio to NIBC Bank, complaints up to 17 November 2021 can be submitted to Finqus. Complaints after 17 November 2021 should be submitted to NIBC Bank. There is more information on the complaints procedure on [www.finquus.nl](http://www.finquus.nl).

#### 5.4. Servicing

In connection with the aforementioned transfer to NIBC Bank, NIBC Bank has also taken over the contracts with the servicing parties from Finqus.

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

#### 6.1. Financial statements

**Annex 2** to this public report contains a financial summary of (i) the income and expenditure of DSB from the date of the insolvency up to 17 December 2021 and (ii) the income and expenditure of DSB from 1 October 2021 to 17 December 2021.

#### 6.2. Credit facilities

DSB last made use of the special long-term loan facility granted by ING Bank N.V. in 2020. DSB repaid that facility in full on 17 November 2020. The special long-term loan facility lapsed at the end of 2020. DSB then had a special long-term loan facility available in the second quarter of 2021 for the repurchase of the Dome 2006-I B.V. loans on 21 May 2021. This was not used since sufficient liquidity was available at that time.

#### 6.3. Securitisation programmes

In 2020 and 2021, almost all the remaining securitisation programmes that involved DSB were settled. The only outstanding item is that one entity has to be wound up formally. It is possible that the costs of these operational activities will be less than budgeted, such that a small positive balance will remain and be released to DSB.

#### 6.4. Hedges

Over the past years, DSB has hedged the interest rate risk on the securitised and proprietary loan portfolios by means of interest rate swaps covering the fixed-rate mortgages with repricing dates longer than three years ahead.

On the sale of the loan portfolio on 16 July 2021, DSB's interest rate risk changed on the basis of the agreement with NIBC Bank. In order to align DSB's interest rate swaps with the changed interest rate risk, DSB terminated interest rate swaps with a total nominal value of €105 million prematurely on 16 July 2021. Termination costs of €6.7 million were paid on 20 July 2021. On 15 November 2021 DSB transferred the entire interest rate risk in the loan portfolio to NIBC Bank. DSB terminated all the remaining interest rate swaps with a total nominal value of €1,005 million prematurely on 15 November 2021 and paid termination costs of €33.9 million on 17 November 2021. The termination costs are explained by the fall in capital market interest rates since the start of these interest rate swaps.

Following these terminations, DSB has no outstanding hedges.

#### 6.5. Interest rate policy

NIBC Bank took over the management of the remaining loan portfolio, including setting interest rates, from 17 November 2021. As a result DSB (and/or Finqus) no longer has loans under management (see section 5.2 of this public report) and so the interest rate policy of DSB (and/or Finqus) has lapsed.

## **7. Creditors/payables**

### **7.1. Creditors' Committee**

The Creditors' Committee was made up of ING Bank N.V. and Coöperatieve Rabobank U.A. The Creditors' Committee was disbanded as a result of the completion of the insolvency.

During the reporting period, a meeting was held with the Committee on 18 November 2021. Meetings of the Creditors' Committee discussed the developments surrounding the winding-up of the insolvency proceedings, including the sales processes. Where necessary, contact was maintained by telephone and email in the interim. Requests for advice on proposed decisions were made by the Bankruptcy Trustees to the Committee as and when required by law.

### **7.2. Outstanding claim validation proceedings against the Bankruptcy Trustees**

There are no further outstanding claim validation proceedings.

### **7.3. Current positions and distributions**

In consequence of the transfer to NIBC Bank, the Bankruptcy Trustees had sufficient cash available to pay the full amount of the remaining claims of unsecured and subordinated creditors. The Bankruptcy Trustees subsequently filed the final distribution list with the clerk of the Amsterdam District Court on 6 December 2021. As no objections were lodged, the final distribution list was declared binding at the end of the day on 17 December 2021.

The insolvency of DSB was completed by operation of law when the final distribution list was declared binding. The actual payment of the final distribution to the unsecured and subordinated creditors whose bank account details are known was then made on 20 December 2021. The final distribution involved a total of €752 million.

As a result of this final distribution, these creditors have received 100% of their validated claims.

## **8. Other**

### **8.1. Tax matters**

See the thirty-ninth public report.

### **8.2. AFM and DNB**

The Bankruptcy Trustees had regular meetings with the AFM and also with DNB to discuss current issues. Finqus has been under the supervision of the AFM since 1 January 2018.

### **8.3. Provision of information to customers**

As stated in the forty-fifth interim public report, the remaining loan portfolio was transferred on 17 November 2021. All customers were notified of this by letter. NIBC Bank has also taken over the website so that customers can still find relevant information on [www.finquus.nl](http://www.finquus.nl).

### **8.4. Provision of information to creditors**

It is now the responsibility of the director of DSB, who is also the liquidator (*vereffenaar*) under the articles of association of DSB, to distribute the remaining balance to eligible creditors. As previously stated, this concerns interest claims since the date DSB was declared bankrupt. Such interest claims could not be verified during the insolvency of DSB. See [www.dsbbank.nl](http://www.dsbbank.nl) for more information on the further settlement of DSB.

#### 8.5. Activities and time spent

The activities involved in the administration of DSB and in portfolio management were performed by Finqus (see section 3.1 of the thirty-sixth public report).

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

The legal, notarial and tax consultants of Houthoff have together spent approximately 2,000 hours on the liquidation of DSB in the period 1 October 2021 to 17 December 2021. On 1 January 2018, the contract with Houthoff was transferred by the Bankruptcy Trustees, with the permission of the supervisory judge, to Finqus as part of the transfer and management of the loan portfolio. With effect from 1 January 2018, only the hours spent and the outlays on the part of the Bankruptcy Trustees are presented to the supervisory judge for salary calculation purposes. In the period 1 October 2021 to 17 December 2021, the Bankruptcy Trustees spent a total of approximately 300 hours on the insolvency of DSB, including their activities as members of the Finqus supervisory board.

#### 8.6. Concluding work of Bankruptcy Trustees

Now that the insolvency of DSB has been completed, the work of the Bankruptcy Trustees will consist only of the administrative settlement of the conclusion of the bankruptcy. This includes the following work that will be carried out in consultation with the liquidator of DSB:

- payment of validated creditors on the distribution lists to the extent this could not be done earlier;
- payment of moneys due to creditors on the distribution lists whose address or account details are not known;
- archiving files and arranging inspection of the files when applicable; and
- submitting financial statements and reports to the supervisory judge.

#### 8.7. Publication of the next report

As the insolvency has now been completed, this is the final public report that the Bankruptcy Trustees will publish. This public report covers the final reporting period of the insolvency. As this is the final public report, a review of the entire period of the insolvency is presented in

**Annex 1.**

Amsterdam, 21 December 2021

R.J. Schimmelpenninck

Bankruptcy Trustee

B.F.M. Knüppe

Bankruptcy Trustee

**Annexes:**

Annex 1: Review of the insolvency of DSB

Annex 2: Summary of the Income and Expenditure of DSB from the date of the Insolvency to 17 December 2021 and of the Income and Expenditure for the period 1 October 2021 to 17 December 2021.