

JZ/1414262/ra (DIP 1063)

UK – 86321-3-1111 v3.0



EXECUTION COPY

N.V. BANK NEDERLANDSE GEMEENTEN
*(incorporated with limited liability under the
laws of The Netherlands and having its
statutory domicile in The Hague)*

Euro 90,000,000,000
Debt Issuance Programme

Series No.: 1063

Issue of GBP 50,000,000 1.875 per cent. Notes 2012 due 7 December 2018
(to be consolidated, become fungible and form a single Series with the existing GBP
325,000,000 1.875 per cent. Notes 2012 due 7 December 2018 issued on 26 July
2012 as Series 1060)

FINAL TERMS

The date of these Final Terms is 1 August 2012



The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes (as defined below) in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 44 of Part A below, provided such person is one of the persons mentioned in Paragraph 44 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

These Final Terms, under which the medium term notes described herein (the "**Notes**") are issued, should be read in conjunction with the Base Prospectus dated 13 June 2012 (the "**Base Prospectus**") issued in relation to the Euro 90,000,000,000 debt issuance programme of N.V. Bank Nederlandse Gemeenten. Terms defined in the Base Prospectus have the same meaning in these Final Terms. Any reference to the Conditions herein is to the Terms and Conditions set forth on pages 38 up to and including 61 of the Base Prospectus. Together, the Base Prospectus and these Final Terms constitute a base prospectus for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus.

Full information on the Issuer and the Notes described herein is only available on the basis of a combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing, upon the oral or written request of any persons, at the specified offices of the Paying Agent. Copies may be obtained at the specified offices of the Paying Agent.

These Final Terms do not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation; and no action is being taken to permit an offering of the Notes or the distribution of these Final Terms in any jurisdiction where such action is required.



PART A – CONTRACTUAL TERMS

The terms of the Notes are as follows:

1. Issuer: N.V. Bank Nederlandse Gemeenten
2. Series Number: 1063

The Notes will, on the Issue Date, be consolidated, become fungible and form a single Series with the existing GBP 325,000,000 1.875 per cent. Notes 2012 due 7 December 2018 issued on 26 July 2012 as Series 1060 (the "**Original Notes**")

3. Specified Currency or Currencies: Pounds Sterling ("**GBP**")
4. Aggregate Nominal Amount: GBP 50,000,000

After the Notes are consolidated and become fungible with the Original Notes on the Issue Date, the Aggregate Nominal Amount of the Series will be GBP 375,000,000, consisting of the Aggregate Nominal Amount of the Notes, being GBP 50,000,000 and the Aggregate Principal Amount of the Original Notes being GBP 325,000,000.

5. Issue Price: 99.743 per cent. of the Aggregate Nominal Amount of the Notes plus 8 days' interest accrued at the rate of 1.875 per cent. per annum in respect of the period from (and including) the Interest Commencement Date to (but excluding) the Issue Date.
6. (i) Specified Denominations: GBP 1,000
(ii) Calculation Amount: GBP 1,000
7. (i) Issue Date: 3 August 2012
(ii) Interest Commencement Date: 26 July 2012
8. Maturity Date: 7 December 2018
9. Interest Basis: 1.875 per cent. Fixed Rate (further particulars specified below)



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| 10. Redemption/Payment Basis: | Redemption at par |
| 11. Change of Interest or Redemption/
Payment Basis: | Not applicable |
| 12. Put/Call Options: | Not applicable |
| 13. Date Board approval for issuance of
Notes obtained: | 27 July 2012 |
| 14. Method of distribution: | Syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- | | |
|--|---|
| 15. Fixed Rate Note Provisions
(Condition 5A) | Applicable |
| (i) Rate of Interest: | 1.875 per cent. per annum payable
annually in arrear |
| (ii) Interest Payment Date(s): | 7 December in each year from (and
including) 7 December 2012 to (and
including) the Maturity Date, not
adjusted. |
| (iii) Fixed Coupon Amount: | GBP 18.75 per Calculation Amount
payable on each Interest Payment
Date, other than 7 December 2012 (the
"First Interest Payment Date")
(further particulars specified in
paragraph 15 (iv) below). |
| (iv) Broken Amount(s): | GBP 6.86 per Calculation Amount
payable on the First Interest Payment
Date for the period from (and including)
the Interest Commencement Date to
(but excluding) the First Interest
Payment Date (amounting in aggregate
to GBP 343,000 in respect of the
outstanding nominal amount of the
Notes). |
| (v) Day Count Fraction: | Actual/Actual (ICMA) |
| (vi) Determination Dates: | 7 December in each year |
| (vii) Other terms relating to the
method of calculating interest
for Fixed Rate Notes: | Not Applicable |
| 16. Floating Rate Note Provisions
(Condition 5B) | Not Applicable |

17. Zero Coupon Note Provisions	Not Applicable
18. Index-Linked Interest Note/other variable-linked interest Note Provisions (Condition 5B)	Not Applicable
19. Dual Currency Note Provisions (Condition 5C)	Not Applicable
20. Swap Related Note Provisions (Condition 5D)	
Relevant swap terms:	Not Applicable
21. Provisions for other Notes (Condition 5E)	
Relevant interest provisions (including determination of dates and periods, calculation of rates and amounts (e.g. EURIBOR determination), maximum/minimum rates etc.):	Not Applicable
PROVISIONS RELATING TO REDEMPTION	
22. Call Option	Not Applicable
23. Put Option	Not Applicable
24. Final Redemption Amount of each Note	GBP 1,000 per Calculation Amount
25. In the case of non-interest bearing Notes, redemption amount on event of default:	Not Applicable
26. Special tax consequences (if any):	Not Applicable
27. Modification of definition of "Relevant Financial Centre" (if applicable):	Not Applicable
28. Early Redemption Amount	
Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	GBP 1,000 per Calculation Amount.



GENERAL PROVISIONS APPLICABLE TO THE NOTES

- | 29. Form of Notes: | Bearer Notes: |
|---|---|
| 30. Temporary Global Note exchangeable for Definitive Notes: | No |
| 31. Temporary Global Note exchangeable for a Permanent Global Note: | <p>Yes. The Notes will initially be represented upon issue by a temporary global note (the "Temporary Global Note") in bearer form without interest coupons attached, which will be exchangeable upon certification as to non-U.S. beneficial ownership 40 days after the Issue Date in accordance with the terms thereof, for interests in a permanent global note (the "Permanent Global Note").</p> <p>Where a Global Note is to be cleared through Euroclear, Clearstream Luxembourg or any other relevant clearing system and is exchangeable for Definitive Notes at any time or where Definitive Notes will definitely be issued, the Notes may only be issued in such denominations as Euroclear, Clearstream Luxembourg or any such other relevant clearing system will permit at that time. In particular, the Notes may not have denominations that include integral multiples of an amount if such amount is not divisible by the minimum denomination of such Notes.</p> |
| 32. Permanent Global Note exchangeable for Definitive Notes: | <p>Yes, but only as set out in Condition 1(e)(i) and (ii), except that in each case a Permanent Global Note which forms part of a securities deposit (<i>girodepot</i>) with Euroclear Netherlands shall only be exchangeable within the limited circumstances as described in the Netherlands Securities Giro Act (<i>Wet giraal effectenverkeer</i>) and such exchange will be made in accordance therewith, the Euroclear Netherlands' terms and conditions and operational documents.</p> |
| 33. Registered Notes: | Not Applicable |



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|---|-----------------------------|
| 34. New Global Note: | No |
| 35. New Safekeeping Structure: | No |
| 36. Additional Financial Centre(s) or other special provisions relating to payment dates: | TARGET Business Day, London |
| 37. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | No |
| 38. Alternative means of effective communication (if any): | Not Applicable |
| 39. Redenomination, renominatisation and reconventioning provisions: | Not Applicable |
| 40. Other final terms: | Not Applicable |

DISTRIBUTION

- | | |
|--|---|
| 41. (i) If syndicated, names and addresses of Managers and underwriting commitments: | The Royal Bank of Scotland plc
135 Bishopsgate
London EC2M 3UR
United Kingdom

GBP 25,000,000

RBC Europe Limited
Riverbank House
2 Swan Lane
London EC4R 3BF
United Kingdom

GBP 25,000,000 |
| (ii) Date of Subscription Agreement: | 1 August 2012 |
| (iii) Stabilizing Manager(s)(if any): | Not Applicable |
| 42. If non-syndicated, name and address of Dealer: | Not Applicable |
| 43. U.S. Selling Restrictions: | Reg. S Compliance Category 2; TEFRA D |
| 44. Non-exempt Offer: | An offer of the Notes may be made by the Managers other than pursuant to |



Article 3(2) of the Prospectus Directive in Belgium, Germany, Luxembourg, the Netherlands and the United Kingdom (the "**Public Offer Jurisdictions**") during the period from the date of the publication of these Final Terms until 30 days thereafter (the "**Offer Period**"). See further Paragraph 7 of Part B below.

45. Additional selling restrictions: Not Applicable

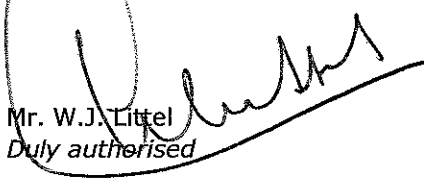
PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and public offer in the Public Offer Jurisdictions and admission to trading on NYSE Euronext in Amsterdam, the regulated market of Euronext Amsterdam N.V., of the Notes described herein pursuant to the Euro 90,000,000,000 Debt Issuance Programme of the Issuer.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms which, when read together with the Base Prospectus referred to above, contains all information that is material in the context of the issue of the Notes.

Signed on behalf of
N.V. BANK NEDERLANDSE GEMEENTEN:

By: 
Mr. W.J. Littel
Duly authorised

PART B – OTHER INFORMATION

1. LISTING

- (i) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on NYSE Euronext in Amsterdam, the regulated market of Euronext Amsterdam N.V with effect from the Issue Date.
- (ii) Estimate of total expenses EUR 3,550 relating to trading:

2. RATINGS

The Programme under which the Notes are to be issued has been rated:

Standard & Poor's:	AAA (an Issuer rated "AAA" has extremely strong capacity to meet its financial commitments. "AAA" is the highest issuer credit rating)
Moody's:	Aaa (obligations rating Aaa are judged to be of the highest quality, with minimal credit risk)
Fitch:	AAA (this rating denotes the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events)

The ratings mentioned above have been issued by Standard and Poor's Credit Market Services Europe Limited, Fitch Ratings Limited and Moody's Investors Service Limited, each of which is established in the European Union and registered under Regulation (EC) No. 1060/2009, as amended.

A rating is not a recommendation to buy, sell, or hold Notes and may be subject to suspension, change or withdrawal at any time by the assigned rating agency.



3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

Except for the commissions payable to the Managers, described in the first paragraph under "*Plan of Distribution*" in the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

(i) Reasons for the offer: The net proceeds of the issue of the Notes will be used by the Issuer for general corporate purposes.

(ii) Estimated net proceeds: GBP 49,816,977.61

(iii) Estimated total expenses: GBP 12,000

5. **Fixed Rate Notes only – YIELD**

Indication of yield: 1.91 per cent. semi-annual

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. **OPERATIONAL INFORMATION**

CUSIP Number: Not Applicable.

ISIN Code: XS0809685158

Common Code: 080968515

Valor: Not Applicable

Any clearing system(s) other than DTC, Euroclear Bank SA/NV and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Names and addresses of initial Paying Agent(s): As set out in the Base Prospectus

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which would allow Eurosystem: Not Applicable



eligibility:

7. TERMS AND CONDITIONS OF THE OFFER

Offer Price, and any expenses and taxes (if any) specifically charged to the subscriber or purchaser: Issue Price

Conditions to which the offer is subject: Not Applicable

Description of the application process, including offer period, including any possible amendments, during which the offer will be open: Not Applicable

Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: Not Applicable

Details of the minimum and/or maximum amount of application: Not Applicable

Details of the method and time limits for paying up and delivering the Notes: Not Applicable

Manner in and date on which results of the offer are to be made public: Not Applicable

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: Not Applicable

Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries: Not Applicable

Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: Not Applicable

Amount of any expenses and taxes specifically charged to the: Not Applicable

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subscriber or purchaser:

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: None