



# State of the Netherlands

## 4% bond 2005 due 15 January 2037

Issued under the authorization to contract loans borne by the State of the Netherlands, given by the Comptabiliteitswet 2001 (Government Accounts Act 2001)

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<b>Issuance method</b>	<b>DDA (<i>Dutch Direct Auction</i>)</b>
<b>Bidding period</b>	<b>19 April 2005 from 10:00 CET until 17:00 CET at the latest</b>
<b>Payment</b>	<b>25 April 2005</b>

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Interest	4% per annum; the interest is paid on 15 January 2006 and annually thereafter on 15 January (short first coupon)
Maturity	31 years and 265 days commencing 25 April 2005
Redemption	on 15 January 2037 the principal of the bond will be made redeemable at par; early redemption either in whole or in part is not permitted
Reference bond	Bund 4 % due 4 January 2037
Uniform allotment spread	the uniform allotment spread vis-à-vis the yield of the reference bond will be announced at 9.00 CET on 20 April 2005 at the latest
Allotment	the allotted amount will be fixed after the close of the DDA; nominal bids may be allotted in full or in part; the right is reserved to deny any allotment
Issuance price	the price of issuance will be fixed after closing of the DDA, before 12.00 CET on 20 April 2005

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## DEFINITIONS

The terms used in the conditions have the meanings stated below:

- Bond:** 4% Bond 2005 due 15 January 2037, issued by the State of the Netherlands
- Reference bond:** Bund 4 % due 4 January 2037
- DSTA:** Dutch State Treasury Agency, part of the Ministry of Finance
- Necigef:** Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. (Dutch Central Securities Giro Institute)
- Euroclear:** Euroclear Bank N.V.
- Clearstream:** Clearstream Banking
- Target:** Trans-European Automated Real-time Gross settlement Express Transfer System
- Interpay:** Interpay Nederland B.V. (Interpay Netherlands)
- Primary Dealer:** Institution appointed as such by agreement with the State of the Netherlands
- Affiliated institution:** Institution affiliated to Necigef
- DDA:** Dutch Direct Auction
- Bid:** The order to buy securities of the above mentioned bond with specification of the quantity, spread to the reference bond, name, country and (sub)category of the client
- Spread guidance:** Range of the reference bond spread
- Strips:** (Separate Trading of Registered Interest and Principal Securities) a registered claim against the State of the Netherlands pertaining only to a nominal amount which shall be paid at a certain time
- Time:** Time is Central European Time

## GENERAL CONDITIONS

### 1. *Manifestation*

The debt issued is embodied in the form of a registered right in the name of the affiliated institutions of Necigef. All or part of the debt issued can be made available by means of a registered right in a nominal amount of whole euros.

### 2. *Interest*

The interest rate is 4% per annum and will accrue as from 25 April 2005. The interest is paid on 15 January 2006 and annually thereafter on 15 January. The interest is paid on the due date to Necigef in favour of the affiliated institutions and their accountholders. Other rightful claimants are paid directly by DSTA. By virtue of this payment the State of the Netherlands discharges its liability vis-à-vis the rightful claimants. The interest will cease to accrue on the due date for redemption.

### **3. *Redemption***

On 15 January 2037 the principal of the bond will be redeemable at par. Repayment of the principal is made to Necigef in favour of the affiliated institutions and their accountholders. Other rightful claimants are paid directly by the DSTA. By virtue of this payment the State of the Netherlands discharges its liability vis-à-vis the rightful claimants. Early redemption either in whole or in part is not permitted.

### **4. *Due dates for interest payment and redemption***

If the Target and Interpay systems are not in operation on a due date for payment of interest or principal of the bond as referred to in articles 2 and 3, the interest or the principal will become payable on the next day on which the Target and Interpay systems are in operation.

### **5. *Limitation***

The right to payment of interest or the principal of the bond will lapse five years after the beginning of the day following the date on which these amounts first become payable.

### **6. *Issue and purchase of strips***

Upon request of a Primary Dealer DSTA issues strips, simultaneously purchasing part of the bond. Strips thus issued can upon request of a Primary Dealer be rejoined by means of DSTA purchasing strips, simultaneously issuing part of the bond. In respect of the volume and due date of the instalments of interest and principal strips are identical to part of the bond. The State of the Netherlands has appointed an institution to administrate rights and obligations pertaining to strips. The issue and purchase, as well as the settlement of strips may be subject to further provisions.

### **7. *Compliance by issuer with United States securities laws***

The issuer is a foreign government (as defined in Rule 405 under the Securities Act) eligible to register securities under Schedule B of the Securities Act, and the bonds are backed by the full faith and credit of the issuer.

The bonds have not been and will not be registered under the Securities Act and may be sold in the United States solely to qualified institutional buyers in accordance with Rule 144A under the Securities Act.

The issuer represents, warrants and undertakes that neither it nor any person acting on its behalf has made or will make offers or sales of securities under circumstances that would require the registration of any of the bonds under the Securities Act, and in particular, that:

neither the issuer nor any person acting on its behalf has engaged or will engage in any direct selling efforts (as defined in Regulation S under the Securities Act) or in any form of general solicitation or general advertising (as those terms are used in Rule 502 (c) under the Securities Act) with respect to the bonds;

the bonds satisfy the eligibility requirements of Rule 144A(d)(3) under the Securities Act.

### **8. *Applicable law and jurisdiction***

The bond is subject to Netherlands law. Disputes may be brought exclusively before the competent court in the Netherlands.

**9. Costs**

Where these conditions do not explicitly state that they will be borne by the State of the Netherlands, costs may not be charged to the State of the Netherlands.

**10. Listing**

Listing of this bond on the Official Market of Euronext Amsterdam N.V. will be pursued.

**11. Conditions**

In case of dispute as to the interpretation of these conditions, the Dutch text will be binding. Copies of these conditions are available free of charge from Primary Dealers.

**12. After DDA placement**

The right is reserved to place additional debt.

**13. Issuance**

The bond will be sold by means of a DDA. Enclosed you will find the 'DDA Rules' This document describes the rules and operations of the DDA.

Amsterdam, 19 April 2005

The Minister of Finance,  
On his behalf,  
The Agent of the Ministry of Finance,

Erik Wilders