

QUESTIONNAIRE

Please provide your answers below:

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| Member State: The Netherlands | | |
| Institution: Dutch Ministry of Finance | | |
| I. GENERAL QUESTIONS | | |
| 1 | In your view, has the Directive and its application reduced barriers to cross-border mergers and acquisitions ('M&A') in the financial sector and resulted in a more equal treatment of domestic and cross-border M&A? | The Netherlands has no evidence that the Directive and its application did not reduce barriers to cross-border mergers and acquisitions. |
| 2 | What obstacles in the supervisory notification and approval process remain? Please explain. | The Dutch financial supervisors are not confronted with remaining obstacles so far. |
| 3 | If so, what specific problems, if any, have you encountered in the notification process or in any preliminary contacts with the authorities (transparency of process, clarity of information required, timely procedure, etc.)? | As the Dutch National Bank informed us, in this context cross-border cooperation between supervisors is often ad hoc, case-oriented and therefore not always efficient. Apart from this we have no specific comments. |
| 4 | If you have experience with both local and cross-border bids and notifications, do you see consistent and uniform application of the assessment process across the EU, including the information requirements and assessment criteria? | N.A. |
| II. SPECIFIC QUESTIONS RELATED TO PROCEDURE | | |
| A. Notification requirement | | |
| 5 | Please outline your experience regarding the extent and nature of any preliminary contact ('pre-notification') between authority and acquirer. Did you experience any difference between domestic and cross-border acquisitions of holdings and, if so, why? | Pre-notification contacts between the Dutch supervisor and (potential) acquirers are sporadic in nature. Our supervisor does not apply a different approach depending on whether the acquirer is foreign or domestic. |
| 6 | Are there in your view any reasons to amend the definition of the notification requirement (i.e. definition of qualifying holdings/provided thresholds)? Please explain. | No |
| 7 | Do you believe it is sufficiently clear when persons 'are acting in concert' for the purposes of the directive? Have you encountered any difficulties with the application of the definition of acting in concert given in Appendix 1 of the Level 3 Guidelines or with another definition of 'acting in concert' applied by the regulator in relation to the obligations of the Directive? Please explain. | In our view that is sufficient and our supervisors have not encountered any difficulties regarding this matter. |
| 8 | In your experience, have you withdrawn more often your notifications when you attempted a cross-border acquisition of a holding than a domestic acquisition? If that is the case, how do you explain such a difference? Are there any material differences in this regard between acquiring qualifying holdings and acquiring control? Please explain. | N.A. |
| B. Exemption from the notification requirement | | |
| 9 | Are there, in your view, any reasons why the exemption from the notification requirement referred to above may not be appropriate? Please explain. | Not at this moment. |
| 10 | Are there, in your view any other cases than the one laid down in the Directive which would warrant an exemption from the notification requirement? Please explain. | No |
| C. Competent authorities | | |
| 11 | Do you consider that in your experience cooperation between the target authorities and acquirer authorities in the prudential assessment has been satisfactory in practice? Please explain. | No, see our answer to question 3. |
| 12 | If you attempted a cross-border acquisition or increase of holdings, in your experience what consultation took place between the authorities in your jurisdiction and the target authorities? | N.A. |
| 13 | Do you consider that the principle of the sole responsibility of the target authority for the prudential assessment is satisfactory for cross-border acquisitions? Should "acquirer" authorities be given more powers in the context of cross-border acquisitions? Please explain | In our view the 'target' authority should have the last say in granting the permission for the merger/acquisition. Therefore we consider the principle of sole responsibility for the target authority satisfactory. |

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| 14 | Should institutions at EU level, such as for example the European Supervisory Authorities (ESAs), be involved in the prudential assessment of cross-border acquisitions? Please explain your views. | The European Supervisory Authorities should only mediate between the supervisory authorities involved when necessary, but the national competent authority should be finally responsible in this matter. |
| D. Time limits | | |
| 15 | Is the 60 day time limit satisfactory in practice? How often has the 60 day time limit been exceeded in the cases which you have dealt with? | We prefer to maintain the current system with a strict timeframe. |
| 16 | In your experience, how does the procedure defined in the Directive relate to other regulatory procedures such as the ones provided in the EU Merger Regulation ⁸ or under national rules on merger control? | N.A. |
| III. SPECIFIC QUESTIONS RELATED TO THE ASSESSMENT PROVIDED FOR IN THE DIRECTIVE | | |
| A. Assessment criteria | | |
| 17 | Do you consider that the principle of the sole responsibility of the target authority for the prudential assessment is satisfactory for cross-border acquisitions? | Yes. |
| 18 | Do you see consistency and transparency in the application of the assessment criteria between Member States? | N.A. |
| 19 | Are the existing assessment criteria satisfactory in your view? Is there any need to consider clarifying the existing criteria, removing any criteria, or adding additional criteria? | This subject was discussed extensively in Dutch Parliament during the debate on the implementation of the directive in the Netherlands. There was a widely shared consensus that there is a need to add an additional macroeconomic criterion. The Netherlands is of the opinion that in the list of the assessment criteria explicit reference should be made to a macroprudential assessment. For example, it must be possible for the supervisor to take the following macroeconomic elements into account: the potential impact of the proposed acquisition on the stability of the financial system in the Member State(s) concerned; the impact on critical payment systems and essential ICT systems. An explicit basis in the Directive for assessment of the macroprudential impact would in our opinion be very helpful. |
| 20 | The experience in the financial and economic crisis has triggered several important regulatory initiatives aiming at reinforcing financial stability. Do you consider it necessary to adjust the prudential assessment criteria to address for example concerns about financial stability and the emergence of financial institutions that are "too big to fail" resulting from M&A activity? | See our response to question 19. An acquisition which leads to the creation of an entity which becomes "too big to fail" could potentially have an impact on the financial stability in the Member State(s) concerned. If a macroprudential criterion is added to the assessment criteria, as we propose, supervisors will be able to take this into account. However, we should point out that such a new criterion must of course not be abused. We would welcome a broader European discussion of how such a criterion could be worded, to enable supervisors to take the necessary decisions in the interests of financial stability, without harming the European level playing field and Single Market. |
| 21 | Are you aware of any cases in which additional criteria have been used in practice by prudential authorities? | N.A. |
| 22 | In your experience, is it more difficult to get an approval decision for cross-border acquisitions of holdings than for domestic acquisitions? If that is the case, how would you explain such a difference? Are there any material differences in this regard between acquiring qualifying holdings and acquiring control? | N.A. |
| 23 | In your experience, have you appealed more often against decisions related to cross-border acquisitions of holdings than those related to domestic acquisitions? In which kind of appeal have you succeeded more often? How would you explain any potential differences? Are there any material differences in this regard between acquiring qualifying holdings and acquiring control? | N.A. |
| 24 | In your experience with the notification process, which of the criteria tend to give grounds for a prohibition decision most often? Are there any differences between Member States? | N.A. |
| 25 | In your experience, how frequent are prohibition decisions on the grounds of incomplete information? Are there any differences between Member States? | N.A. |
| 26 | Please outline the extent to which in your experience approvals of acquisitions of qualifying holdings/control have been subject to conditions or remedies aimed at addressing the supervisors' concerns. | N.A. |
| B. Required information | | |
| 27 | Do the Level 3 Guidelines provide sufficient clarification of the information required? | Yes, in general the level 3 guidelines provide sufficient clarification; However, this doesn't rule out that the "target" supervisor may need additional information in specific cases and under specific circumstances. |
| 28 | In your experience, has the proportionality requirement referred to above been applied in a satisfactory manner? Please explain. | N.A. |

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| 29 | If you have ever been competing with parallel bids of local acquirers, did you perceive the notification and approval process to be fair and non-discriminatory between you as the cross-border acquirer and the local acquirers? | N.A. |
| 30 | In your experience with competing bids/parallel notifications, have you succeeded more often with domestic acquisitions of holdings than with cross-border acquisitions? If that is the case, how would you explain such a difference? Are there any material differences in this regard between acquiring qualifying holdings and acquiring control? Please explain. | N.A. |
| IV. OTHER ISSUES | | |
| A. Sanctions | | |
| 31 | How have the sanctioning powers referred to above been applied in practice in different Member States, in your experience? Is there any need for further harmonisation in the way those sanctioning powers are applied? Please explain. | N.A. |
| B. Harmonisation | | |
| 32 | In your view, have the Directive and the Guidelines provided by the former Level 3 Committees been applied uniformly across the EU? Is there any need to provide for additional binding level 2 legislation for implementing the Directive? Is there any need to replace the Directive with a Regulation to ensure further convergence in the decision-making practice across the EU? Please explain. | Yes, in our view the Directive and the related guidelines have been applied (broadly) uniformly across the EU, and no, there is at present no need to provide for additional binding level 2 legislation. |
| C. Competing proposals | | |
| 33 | In your view, is there any need to introduce a similar framework in any other upcoming or existing legislation in the financial sector (i.e. derivatives, regulation of central securities depositories, regulated markets)? Please explain | Not at this moment. |
| D. Additional comments | | |
| | The Netherlands has no additional comments | N.A. |