

52.3 Assets accepted

Aegon receives collateral related to securities lending and reverse repurchase activities. Non-cash collateral is not recognized in the statement of financial position. To the extent that cash is paid for reverse repurchase agreements, a receivable is recognized for the corresponding amount.

The following table analyses the fair value of the assets received in relation to securities lending and reverse repurchase activities:

Securities lending	2013	2012
Carrying amount of transferred financial assets	6,347	6,780
Fair value of cash collateral received	4,165	3,562
Fair value of non-cash collateral received	2,286	3,296
Net exposure	(104)	(78)
Non-cash collateral that can be sold or repledged in the absence of default	1,517	1,802
Non-cash collateral that has been sold or transferred	-	-

Reverse repurchase agreements	2013	2012
Cash paid for reverse repurchase agreements	2,752	4,411
Fair value of non-cash collateral received	2,782	4,428
Net exposure	(31)	(17)
Non-cash collateral that can be sold or repledged in the absence of default	1,704	3,710
Non-cash collateral that has been sold or transferred	-	-

The above items are conducted under terms that are usual and customary to standard securities lending activities, as well as requirements determined by exchanges where the bank acts as intermediary.

In addition, Aegon can receive collateral related to derivative transactions that it enters into. The credit support agreement will normally dictate the threshold over which collateral needs to be pledged by Aegon or its counterparty. Transactions requiring Aegon or its counterparty to post collateral are typically the result of over-the-counter derivative trades, comprised mostly of interest rate swaps, currency swaps and credit swaps. Refer to the credit risk section in note 4 for details on collateral received for derivative transactions.