

Securities Note

FRN Storebrand Livsforsikring AS Perpetual
Subordinated Bond 2015

NO 0010732464



Storebrand Livsforsikring AS

Arrangers:



10.04 2015

Important notice

The Securities Note has been prepared in connection with listing of the securities at Oslo Børs. The Prospectus has been reviewed and approved by the Financial Supervisory Authority of Norway ("Norwegian FSA") in accordance with sections 7-7 and 7-8, cf. section 7-3 of the Norwegian Securities Trading Act. The Norwegian FSA has not controlled or approved the accuracy or completeness of the information given in this Prospectus. The approval given by the Norwegian FSA only relates to the Issuer's descriptions pursuant to a pre-defined check list of requirements. The Norwegian FSA has not made any form of control or approval relating to corporate matters described in or otherwise covered by this Prospectus. New information that is significant for the Borrower or its subsidiaries may be disclosed after the Securities Note has been made public, but prior to the expiry of the subscription period. Such information will be published as a supplement to the Securities Note pursuant to Section 7-15 of the Norwegian Securities Trading Act. On no account must the publication or the disclosure of the Securities Note give the impression that the information herein is complete or correct on a given date after the date on the Securities Note, or that the business activities of the Borrower or its subsidiaries may not have been changed.

Only the Borrower and the Arrangers are entitled to procure information about conditions described in the Securities Note. Information procured by any other person is of no relevance in relation to the Securities Note and cannot be relied on.

Unless otherwise stated, the Securities Note is subject to Norwegian law. In the event of any dispute regarding the Securities Note, Norwegian law will apply.

In certain jurisdictions, the distribution of the Securities Note may be limited by law, for example in the United States of America or in the United Kingdom. Verification and approval of the Securities Note by Finanstilsynet implies that the Securities Note may be used in any EEA country. No other measures have been taken to obtain authorisation to distribute the Securities Note in any jurisdiction where such action is required. Persons that receive the Securities Note are ordered by the Borrower and the Arrangers to obtain information on and comply with such restrictions.

This Securities Note is not an offer to sell or a request to buy bonds.

The content of the Securities Note does not constitute legal, financial or tax advice and bond owners should seek legal, financial and/or tax advice.

Contact the Borrower or the Arrangers to receive copies of the Securities Note.

This Securities Note should be read together with the Registration Document dated 19.09 2014. The documents together constitute a Prospectus.

Factors which are material for the purpose of assessing the market risks associated with the Bonds***The Bonds may not be a suitable investment for all investors***

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in this Prospectus;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Bonds and be familiar with the behaviour of NIBOR and the financial markets; and

(e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Bonds are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Bonds unless it has the expertise (either alone or with a financial adviser) to evaluate how the Bonds will perform under changing conditions, the resulting effects on the value of the Bonds and the impact this investment will have on the potential investor's overall investment portfolio.

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1. Risk factors

Set out below is a brief description of certain risks relating to the Bonds generally:

The Bonds are perpetual and subject to optional redemption by the Issuer

The Bonds are perpetual, subordinated and unsecured and the Issuer has no obligation to redeem or prepay the Bonds. The Bondholders have no right to call for the Bonds redemption or otherwise request prepayment or redemption of the principal amount of the Bonds, except upon actual bankruptcy or liquidation of the Issuer. The Issuer may at its discretion redeem the Bonds on 17 March 2020 (the "First Call Date"), or on any Interest Payment Date thereafter. The Issuer may furthermore redeem the Bonds at any time upon the occurrence of a Capital Disqualification Event, a Rating Agency Event or a Taxation Event. The right of the Issuer to redeem the Bonds is conditional upon (i) no Capital Requirement Breach having occurred or is likely to occur as a result of a redemption, and (ii) prior consent of the Issuer Supervisor. The optional redemption feature of the Bonds is likely to limit their market value. During any period when the Issuer may elect to redeem the Bonds, their market value generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem the Bonds when its cost of borrowing is lower than the interest rate on the Bonds. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds being redeemed and may only be able to do so at a lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time. It shall also be noted that the Issuer may choose not to redeem the Bonds at the First Call Date or at any other time thereafter, and that the Issuer Supervisor may prevent the Issuer to redeem the Bonds, e.g. if the Bonds will not be replaced with own funds instruments of equal or higher quality as the Bonds and if the Issuer has failed to demonstrate that its own funds, following redemption of the Bonds, exceed the minimum capital adequacy requirements by a margin that the Issuer Supervisor considers to be significant and appropriate. As a consequence of the foregoing, there is a risk that the Bonds never are redeemed by the Issuer and that the Bondholders as a result never receive payment of the principal amount of the Bonds.

The Issuer's obligations under the Bonds are subordinated

The claims of Bondholders against the Issuer in respect of payments of principal and interest on the Bonds will, in the event of the liquidation, dissolution, administration or other winding-up of the Issuer by way of public administration, be subordinated in right of payment to the claims of all Senior Creditors of the Issuer. "Senior Creditors" means all creditors of the Issuer who are policyholders, dated subordinated liabilities or other unsubordinated creditors of the Issuer. Although subordinated bonds may pay a higher rate of interest than comparable bonds which are not subordinated, there is a real risk that an investor in the Bonds will lose all or some of his investment should the Issuer become insolvent.

Under certain conditions, interest payments under the Bonds may be optionally or mandatorily deferred

The payment obligations by the Issuer under the Bonds are conditional upon the Issuer not being in breach of Applicable Regulations at the time of payment, and still not being in breach of Applicable Regulation immediately thereafter. If no distribution or dividend or other payment (including payment in relation to redemption or repurchase) has been made on or in respect of any Junior Obligations since the date as provided for in the Bond Agreement ("Terms") and provided such Interest Payment Date is not a Mandatory Interest Deferral Date, the Issuer shall be entitled to defer payment of interest accrued in respect of the Bonds and any such deferral shall not constitute a default in respect of the Bonds. The Issuer must defer such interest payment on any Mandatory Interest Deferral Date and any such deferral shall not constitute a default in respect of the Bonds. All deferred interest on the Bonds shall become due and payable. After the Issuer has fully paid all deferred interest on the Bonds, if the Bonds remain outstanding, future interest payments on the Bonds will be subject to further deferral as described above. Any deferral of interest payments is likely to have an adverse effect on the market price of the Bonds. In addition, as a result of the interest deferral provision of the Bonds, the market price of the Bonds may be more volatile than the market prices of other debt securities on which original issue discount or

interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the Issuer's financial condition.

Under certain conditions, amounts of principal and corresponding interest may be reduced

Under Norwegian legislation, the Issuer's subordinated capital (which would include principal and corresponding interest thereon in respect of the Bonds) may, in certain circumstances, be cancelled. To the extent that only part of the outstanding principal amount of the Bonds has been cancelled as provided above, interest will continue to accrue in accordance with the Terms on the then remaining outstanding principal amount of the Bonds.

Changes in relevant rules upon implementation of new EU-legislation based on recommendations of the Basel Committee

The Issuer is currently subject to (i) capital requirements based on the EU Banking directives (Directive 2006/48/EC as amended) and (ii) solvency requirements based on EU Life Assurance Directive (directive 2002/83/EC as amended).

Changes in relevant rules upon implementation of the Solvency II Directive

Although the Solvency II Directive has been adopted and published in the Official Journal of the European Union on 17 December 2009, the implementation rules in general and the exact criteria for instruments eligible as tier 2 regulatory capital, and corresponding transitional arrangements in particular are not yet finalised. Detailed rules of the Solvency II regime will be contained in the implementing measures adopted by the Commission. It is therefore difficult to predict the exact effect that the implementation of the Solvency II Directive will have on the Issuer as well as on the eligibility of the Bonds to qualify as tier 2 regulatory capital. The implementation of the Solvency II Directive may lead to, or increase the likelihood of, an optional or mandatory deferral of interest payments under the Bonds and/or an early redemption of the Bonds.

No limitation on issuing further debt and guarantees

There is no restriction on the amount of debt which the Issuer may issue ranking equal or senior to the obligations under or in connection with the Bonds and there is no restriction on the amount of debt or guarantees which the Issuer may issue ranking equal or senior to the obligations under or in connection with the Bonds. Such issuance of further debt and guarantees may reduce the amount recoverable by the Bondholders upon insolvency or winding-up of the Issuer or may increase the likelihood that payments of the principal amount or interest under the Bonds will be mandatorily deferred or may, in the case of interest payments, be deferred at the option of the Issuer.

Floating rate Bonds

The Bonds will bear interest at a floating rate which will be based on two components, namely the 3-months NIBOR and the Margin. Since the Margin is fixed at the time of issuance of the transaction, Bondholders are subject to the risk that the Margin does not reflect the spread that investors require in addition to the 3-month NIBOR as a compensation for the risks inherent in the Bonds (market spread). The market spread typically changes on a daily basis. As the market spread changes, the price of the Bonds changes in the opposite direction. A decrease in the market spread has a positive impact on the price of the Bonds; an increase in the market spread has a negative impact on the price of the Bond. However, the price of the Bonds is subject to changes in the market spread, changes in the 3-months NIBOR or both. Bondholders should be aware that movements in the market spread can adversely affect the price of the Bonds and can lead to losses for the Bondholders. In addition, Bondholders are exposed to reinvestment risk with respect to proceeds from coupon payments or early redemptions by the Issuer. If the market yield (or market spread respectively) declines, and if Bondholders want to invest such proceeds in comparable transactions, Bondholders will only be able to reinvest such proceeds in comparable transactions at the then prevailing lower market yields (or market spreads respectively).

The market value of the Bonds could decrease if the creditworthiness of the Issuer deteriorates

If the likelihood that the Issuer will be in a position to fully perform all obligations under the Bonds when they fall due decreases, for example, because of the materialisation of any of the risks regarding the Issuer, the market value of the Bonds will be materially and adversely affected. In addition, even if the likelihood that the Issuer will be in position to fully perform all obligations

under the Bonds when they fall due actually has not decreased, market participants could nevertheless have a different perception. In addition, the market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business as the Issuer could adversely change. If any of these risks occurs, third parties would only be willing to purchase Bonds for a lower price than before the materialisation of the aforementioned risk. Under these circumstances, the market value of the Bonds will decrease.

There are no events of default under the Bonds

The Terms do not provide for events of default allowing acceleration of the Bonds if certain events occur. Accordingly, if the Issuer fails to meet any obligations under the Bonds, including the payment of any interest, investors will not have the right of acceleration of principal. Upon a payment default, the sole remedy available to Bondholders for recovery of amounts owing in respect of any payment of principal or interest on the Bonds will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

Set-off risk

Subject to applicable law, no Bondholder shall be entitled to exercise any right of set-off or counterclaim against moneys owed to the Issuer in respect of such indebtedness.

Meeting of Bondholders, modification and waivers.

The Terms contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority. The Terms also provide that the Bond Trustee may, without the consent of the Bondholders, agree to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the Terms.

Change of law

The Terms are based on Norwegian law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to Norwegian law or administrative practice after the date of this Prospectus.

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

The Bonds will not have an established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of the Bonds.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Bonds in Norwegian kroner (NOK). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than NOK. These include the risk that exchange rates may significantly change (including changes due to devaluation of NOK or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to Norwegian kroner would decrease (1) the Investor's Currency-equivalent yield on the Bonds, (2) the Investor's Currency-equivalent value of the principal payable on the Bonds and (3) the Investor's Currency-equivalent market value of the Bonds. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Credit ratings may not reflect all risks

The Bonds are, at the date of the Prospectus, rated Moody's and by S&P. Each of Moody's and S&P is established in the European Economic Area (EEA) and registered under Regulation (EC) No 1060/2009, as amended (the CRA Regulation) and are, as of the date of this Prospectus, included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the Rating Agency at any time.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Bonds are legal investments for it, (2) the Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of the Bonds. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

2. Person responsible

Storebrand Livsforsikring AS confirms that, having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

10.04 2015

Storebrand Livsforsikring AS
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1366 Lysaker
Norway

3. Information concerning the securities

ISIN code:	NO 001732464
The Loan/ The Bonds/The Issue:	FRN Storebrand Livsforsikring AS Perpetual Subordinated Bond 2015.
Borrower/Issuer:	Storebrand Livsforsikring AS.
Security Type:	Perpetual subordinated bond issue with floating rate.
Outstanding Amount:	NOK 1,000 million
Face Value:	NOK 1 million - each and among themselves pari passu ranking.
Securities Form:	The Bonds are electronically registered in book-entry form with the Securities Depository.
Disbursement/Issue Date:	17 March 2015.
Interest Accrual Date:	Disbursement/Issue Date.
Interest Bearing To:	Maturity Date.
Maturity Date:	Perpetual.
Interest Rate:	Reference Rate + Margin
Margin:	3.05 percentage points p.a. until 17 March 2025, thereafter 4.05 percentage points p.a.
Current Rate:	4.35%.
Reference Rate:	3 months NIBOR.
Coupon Date/ Interest Payment Date:	17 March, 17 June, 17 September and 17 December each year.
Deferral of Payments:	<p><i>Optional Deferral of Interest</i></p> <p>The Issuer may on any Optional Interest Deferral Date by notice to the Bond Trustee defer payment of all (but not only some) of the interest accrued but unpaid to that date. If this occurs the Bond Trustee will notify the Bondholders in writing, in accordance with the Bond Agreement clause 4.7.1.</p> <p><i>Mandatory Deferral of Interest</i></p> <p>The Issuer will on any Mandatory Interest Deferral Date by notice to the Bond Trustee (together with a certificate signed by authorised signatories of the Issuer confirming the relevant Coupon Date is a Mandatory Interest Deferral Date) defer payment of all (but not only some) of the interest accrued but unpaid to that date. If this occurs the Bond Trustee will notify the Bondholders in writing, in accordance with the Bond Agreement clause 4.7.1.</p> <p><i>Payment of Deferred Interest</i></p> <p>Any interest not paid on an Optional Interest Deferral Date or a Mandatory Interest Deferral Date ("Arrears of</p>

Interest") may at the option of the Issuer, be paid in whole or in part at the next Coupon Date which is not a Mandatory Interest Deferral Date, and shall, subject to prior approval from the Issuer Supervisor (to the extent required under the Applicable Regulations), be paid in whole on a date which is not a Mandatory Interest Deferral Date at the earliest of:

- (a) the next Coupon Date which is a Compulsory Interest Payment Date or seven (7) days after the date when the requirements for a Compulsory Interest Payment Date would be deemed to be satisfied, if such date falls earlier than the next Coupon Date;
- (b) the date of any redemption of the Bonds in accordance with the terms and conditions for the Bonds;
- (c) the date of a Bankruptcy Event; or
- (d) the date on which the Issuer pays, or any other person declares or pays, any distribution or dividend or makes any payment (including payment in relation to redemption or repurchase) on or in respect of any Junior Obligations or Parity Obligations, or the date on which any dividend or other distribution on or payment (including payment in relation to redemption or repurchase) on or in respect of the Issuer's share capital is paid.

Interest will not accrue on Arrears of Interest.

Optional Redemption:

The Issuer may on the First Call Date or any Coupon Date thereafter, if the Issuer provided satisfactory evidence to the holders of the Bonds, represented by the Bond Trustee, that (i) in the opinion of the Issuer Supervisor no Capital Requirement Breach has occurred or is likely to occur as a result of a redemption, and (ii) the Issuer has received prior consent of the Issuer Supervisor, redeem all (but not only some only) of the outstanding Bonds at the Redemption Price plus accrued and unpaid interest, including Arrears of Interest (if any), without any premium or penalty.

If the Issuer provides satisfactory evidence to the holders of the Bonds, represented by the Bond Trustee, that a;

- (a) Capital Disqualification Event;
- (b) Rating Agency Event; or
- (c) Taxation Event;

has occurred when the Bonds are outstanding, the Issuer may subject to (i) no Capital Requirement Breach having occurred or would occur as a result of a redemption, and (ii) prior consent of the Issuer Supervisor, redeem all (but not only some only) of the outstanding Bonds at the Redemption Price plus accrued and unpaid interest, including Arrears of Interest (if any), without premium or penalty. In case of redemption within the period of 5 years from Issue Date (i) the Issuer shall deliver a statement determining that the circumstances entitling it to exercise the right of redemption was concluded or judged to have been unlikely to occur at the Issue Date: and (ii) such redemption shall be funded out of the proceeds from new issuance of capital of at least the same quality as the Bond (unless such requirement no longer is required under

Solvency II and/or Applicable Regulations).

Exercise of an Optional Redemption pursuant to the Bond Agreement Clause 3.6 shall be notified in writing to the Bondholders, such notification to be sent via the Bond Trustee, alternatively through the Securities Register, with a copy to the Bond Trustee and the Exchange, at least thirty (30) Business Days prior to the relevant redemption date (the "Redemption Notice")

Reduction of Amounts of Principal:

The Bond may be utilized by the Issuer to absorb losses by a reduction (write down) of principal amounts of its subordinated debt capital pursuant to Applicable Regulations and ancillary regulations. Provide the audited accounts of show that a substantial part of subordinated debt capital has been lost such a write down may be resolved by a shareholder`s meeting of the Issuer acting upon a proposal by the board of directors.

The Issuer undertakes that such a proposal would include a recommendation that principal in respect of Tier 1 indebtedness should be written down prior to any principal in respect of undated Tier 2 subordinated indebtedness, and any undated Tier 2 subordinated indebtedness should be written down prior to any principal in respect of any dated Tier 2 subordinated indebtedness.

Pursuant to the above, and subject to applicable provisions of Norwegian law, the Issuer undertakes that it will, subject to prior approval from the Issuer Supervisor (to the extent required under the Applicable Regulations), recommend that its shareholders cancel all principal in respect of all Tier 1 Capital and all paid up equity and equity fund/retained earnings of the Issuer before cancelling any principal in respect of the Bonds and on a pro rata basis with all other pari passu claims.

The Issuer shall give not more than 30 nor less than 5 Business Days' prior notice to the Bond Trustee, and to the Bondholders, of any cancellation of principal in respect of the Bonds.

To the extent that part only of the outstanding principal amount of the Bonds has been cancelled as provided above;

- (i) the partial cancellation is effected either by a reduction (write down) of the accrued and unpaid interest first and secondly a write down of the Outstanding Bonds by a pro rata reduction of Bonds between the Bondholders, or by a reduction of the Redemption Price, or any other mechanics applied to effect the cancellation of principal, and
- (ii) interest will continue to accrue in accordance with the terms hereof on the then outstanding principal amount of the Bonds.

Call: 17 March 2020 (the "First Call Date"), and on any Coupon Date thereafter.

Call Price: Redemption Price.

Redemption Price: The Face Value of the Bonds, subject to any adjustment

	following a Reduction of Amounts of Principal as set put in the Bond Agreement Clause 3.7.1.
NIBOR:	(Norwegian Interbank Offered Rate) Interest rate fixed for a defined period on Oslo Børs' webpage at approximately 12.15 Oslo time. In the event that such page is not available, has been removed or changed such that the quoted interest rate no longer represents, in the opinion of the Bond Trustee, a correct expression of the Reference Rate, an alternative page or other electronic source which in the opinion of the Bond Trustee and the Issuer gives the same interest rate as the initial Reference Rate shall be used. If this is not possible, the Bond Trustee shall calculate the Reference Rate based on comparable quotes from major banks in Oslo.
Day Count Fraction:	Actual/360.
Business Day Convention:	Convention for adjusting any relevant payment date ("Payment Date") if it would otherwise fall on a day that is not a Business Day; Modified Following Business Day: The applicable Payment Date shall be the first following Business Day unless that day falls in the next calendar month, in which case the date shall be the first preceding Business Day.
Issue Price:	100 % (par value).
Yield:	Investors wishing to invest in the Bonds after the Issue Date must pay the market price for the Bonds in the secondary market at the time of purchase. Depending on the development in the bond market in general and the development of the Issuer, the price of the Bonds may have increased (above par) or decreased (below par). As the Bonds have a floating reference rate, it is the market's expectations of risk premium, i.e. margin that affects the price. If the price has increased, the yield for the purchaser in the secondary market, given that the reference rate does not change, will be lower than the interest rate of the Bonds and vice versa. At par and an assumption that the reference rate is 1.30% from the issue date to maturity date, the yield will be 4.35%.
Business Day:	Any day when the Norwegian Central Bank's Settlement System is open and when Norwegian banks can settle foreign currency transactions.
Maturity:	The Bonds are perpetual.
Redemption:	Matured interest and matured principal will be credited each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of May 18 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.
Status:	The Bonds will constitute direct, unsecured and subordinated debt obligations, and will in connection with a Bankruptcy Event of the Issuer rank: (a) pari passu without any preference among the Bonds;

- (b) pari passu with all outstanding Parity Obligations;
- (c) in priority to payments to creditors in respect of Junior Obligations;
- (d) junior in right of payment to any present or future claims of (i) policyholders of the Issuer, (ii) dated subordinated indebtedness of the Issuer, and (iii) any other unsubordinated creditors of the Issuer.

Security: The Bonds are unsecured.

Information Covenants: See Bond Agreement section 4.6.

Events of default: The Bond Agreement does not contain any event of default provision and neither the Bond Trustee nor the Bondholders may declare any event of default by the Issuer of any of its obligations under the Bond Agreement neither on the basis of the Bond Agreement nor on the basis of general principles of Norwegian law. Bondholders may only demand prepayment in the event of actual bankruptcy/liquidation of the Issuer.

Purpose: The purpose of the Issue is to replace the NOK 1,000,000,000 floating rate perpetual subordinated bonds issued by the Issuer on 30 June 2009 (with ISIN NO0010521628). The Issuer also intends for the Bonds to qualify as Tier 2 capital for the purpose of the Applicable Regulation and as determined by the Issuer Supervisor.

Approvals: The Bonds were issued in accordance with the Borrower's Board approval 28.10 2014 and the Financial Supervisory Authority of Norway dated 19.12.2014.

Listing: An application for listing will be sent Oslo Børs.

Bond Agreement: The Bond Agreement has been entered into between the Borrower and the Bond Trustee. The Bond Agreement regulates the Bondholder's rights and obligations in relations with the issue. The Bond Trustee enters into this agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Agreement.

When bonds are subscribed/purchased, the Bondholder has accepted the Bond Agreement and is bound by the terms of the Bond Agreement.

Information regarding bondholders' meeting and the Bondholder's right to vote are described in the Bond Agreement clause 5.

Information regarding the role of the Bond Trustee, see Bond Agreement clause 6.

The Bond Agreement is attached to this Securities Note.

Documentation: Registration Document, Securities Note, Bond Agreement.

Registration Document: The Issuers Registration Document dated 19.09 2014.

Securities Note: This Securities Note dated 10.04 2015.

Availability of the Documentation: www.storebrand.no

Bond Trustee: Nordic Trustee ASA, P.O. Box 1470 Vika, 0116 Oslo, Norway.

Arrangers: Danske Bank Markets, Danske Bank A/S, Bryggetorget 4, 0250 Oslo, Norway.
DNB Bank ASA, DNB Markets, Dronning Eufemias gate 30, 0021 Oslo, Norway.
Nordea Markets, Nordea Bank Norge ASA, P.O. Box 1166 Sentrum, N-0107 Oslo, Norway.

Paying Agent: Nordea Bank Norge ASA, P.O. Box 1166 Sentrum, N-0107 Oslo, Norway. The Paying Agent is in charge of keeping the records in the Securities Depositary.

Calculation Agent: Nordic Trustee ASA, P.O. Box 1470 Vika, Norway.

Listing Agent: Nordic Trustee ASA, P.O. Box 1470 Vika, Norway.

Securities Depositary: Verdipapirregisteret ("VPS"), Postboks 4, 0051 OSLO

Market-Making: There is no market-making agreement entered into in connection with the Loan.

Legislation under which the Securities have been created: Norwegian law.

Fees and Expenses: The Borrower shall pay any stamp duty and other public fees in connection with the loan. Any public fees or taxes on sales of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise decided by law or regulation. The Borrower is responsible for withholding any withholding tax imposed by Norwegian law.

Fees: Total expenses related to the admission to trading is approximately NOK 55 000,-.

4. Definitions

Applicable Regulations:	<p>(i) prior to the implementation of Solvency II into Norwegian law, any legislation, rules or regulations (whether having the force of law or otherwise) applying to the Issuer, the Issuer Group or any member of the Issuer Group from time to time relating to the characteristics, features or criteria of own funds or capital resources and, for the avoidance of doubt and without limitation to the foregoing, includes any legislation, rules or regulations relating to such matters which are supplementary or extraneous to the obligations imposed on Norway by Solvency I or the Solvency II Directive;</p> <p>(ii) following the implementation of Solvency II into Norwegian law, such rules and regulations as introduced in Norway from time to time for the purposes of implementing Solvency II into Norwegian law.</p>
Arrears of Interest	Any interest not paid on an Optional Interest Payment Date or a Mandatory Interest Date as set forth in the Bond Agreement Clause 3.5.3.
Bankruptcy Event:	A decision by the Ministry of Finance that the Issuer shall become subject to public administration (No: Offentlig administrasjon) according to the Act on Guarantee Schemes for Banks and Public Administration (Act 6 December 1996 no. 75) (NO: Banksikringsloven), as amended from time to time.
Bondholder:	Holder of Bond(s) as registered in the Securities Register.
Bonds:	Securities issued pursuant to the Bond Agreement and which is registered in the Securities Register, each a "Bond".
Call:	Issuer's early redemption as set forth in the Bond Agreement Clause 3.6 (Optional Redemption).
Capital Disqualification Event:	An event which occurs if, as a result of any replacement of or change to (or change to the interpretation by any court or authority entitled to do so of) the Applicable Regulation which becomes effective on or after the Issue Date (including the implementation of Solvency II), the Bonds or part of the Bonds are no longer eligible in accordance with the Applicable Regulations to count as cover for the capital or solvency requirements (however such terms are described from time to time in the Applicable Regulations) for the Issuer whether on a single or consolidated basis, except where in the case such non-qualification is only a result of any applicable limitation on the amount of such capital.
Capital Requirement Breach:	A breach of the applicable capital requirements or solvency requirements from time to time (as such requirements are defined) under the Applicable Regulations and for the avoidance of any doubt and without limitation to the foregoing, including a breach of the solvency capital requirement as defined in Solvency II.
Compulsory Interest Payment Date:	Any Coupon Date, other than a Mandatory Interest Deferral Date, where a decision of payment of any distribution or dividend or other payment (including payment in relation to redemption or repurchase) on or in respect of any Junior Obligations has been made by the Issuer during the six months immediately preceding such Coupon Date.
Issuer Group:	The Issuer and its subsidiaries (as such term is defined in Sections 1-3, cf 1-4, of the Norwegian Companies Act (No: Aksjeloven).
Issuer's Supervisor:	The Financial Supervisory Authority of Norway and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer and the Issuer Group.
Junior Obligations:	(i) the Issuer's share capital, (ii) any other obligations of any member of the Issuer Group ranking or expressed to rank junior to the Bonds issued by the Issuer.
Mandatory Interest	Each Coupon Date immediately following (i) the date as of which the

Deferral Date:	Issuer's most recent quarterly report to the Issuer Supervisor disclosed that a Capital Requirement Breach has occurred, or there is a risk that a Capital Requirement Breach or a Bankruptcy Event would occur as a result of the payment of Interest, provided that such Coupon Date shall not be a Mandatory Interest Deferral Date if, since the date of publication of such report, the Issuer has remedied the Capital Requirement Breach and that no such event will occur as a result of the interest payment, and/or (ii) the occurrence of any event which under the Applicable Regulations would require the Issuer to defer or suspend payment of interest in respect of the Bonds (unless Issuer Supervisor has waived such requirement). Notwithstanding that an Coupon Date may be a Mandatory Interest Deferral Date, interest may still be paid on that relevant Coupon Date to the extent permitted under, and in accordance with, Solvency II and/or the Applicable Regulations.
Optional Interest Deferral Date:	Any Coupon Date which is not a Compulsory Interest Payment Date or a Mandatory Interest Deferral Date.
Parity Obligations:	Any obligations of the Issuer together with any other obligations of the Issuer Group ranking or expressed to rank pari passu with the Bonds.
Rating Agency:	Moody's Investors Service, Inc., Standard & Poor's Rating Services, a division of the McGraw Hill Companies, Inc., or any successor thereof.
Rating Agency Event:	A change in the rating methodology, or in the interpretation of such methodology, as the case may be, becoming effective after the Issue Date, as a result of which the capital treatment assigned by a Rating Agency to the Bonds or part thereof, as notified by such Rating Agency to the Issuer or as published by such Rating Agency, becomes, in the reasonable opinion of the Issuer, materially unfavourable for the Issuer, when compared to the capital treatment assigned by such Rating Agency to the Bonds, as notified by such Rating Agency to the Issuer or as published by such Rating Agency, on or around the Issue Date.
Redemption Notice	The written notification of exercise of an Optional Redemption as set forth in the Bond Agreement Clause 3.6.3.
Solvency II:	Directive 2009/138/EC of 25 November 2009 on the taking-up and pursuit of business of Insurance and Re-insurance (Solvency II directive) and any implementing measures adopted pursuant to the Solvency II directive (as amended from time to time) which is intended to enter into force in member states of the European Economic Area by 1 January 2016.
Taxation Event:	An event which occurs as a result of any amendment to, clarification of or change (including any announced prospective change) in the laws or treaties (or regulations thereunder) of Norway affecting taxation (including any change in the interpretation by any court or authority entitled to do so) or any governmental action, on or after the Issue Date, and there is a substantial risk that: <ul style="list-style-type: none"> (i) The Issuer is, or will be, subject to more than a significant material amount of other taxes, duties or other governmental charges or civil liabilities with respect to the Bonds; (ii) The treatment of any of the Issuer's items of income or expense with respect to the Bonds as reflected on the tax returns (including estimated returns) filed (or to be filed) by the Issuer will not be respected by a taxing authority, which subjects the Issuer to more than a significant material amount of additional taxes, duties or other governmental charges; or (iii) The Issuer would be required to gross up interest payments.

5. Additional information

Storebrand Livsforsikring AS is not aware that there is any interest, nor conflicting interests, that is material to the Loan.

Storebrand Livsforsikring AS has mandated Danske Bank Markets, DNB Markets and Nordea Markets as Arrangers for the issuance of the Loan. The Arrangers has acted as advisor to Storebrand Livsforsikring AS in relation to the pricing of the Loan.

The Arrangers and/or any of their affiliated companies and/or officers, directors and employees may be a market maker or hold a position in any instrument or related instrument discussed in this Securities Note, and may perform or seek to perform financial advisory or banking services related to such instruments. The Arranger's corporate finance departments may act as managers or co-managers for this Borrower in private and/or public placements and/or resale not publicly available or commonly known.

The Bonds were, at the date of issue, rated Baa3 by Moody's Investor Service, Inc and BBB by Standard & Poor's Rating Services, a division of the McGraw Hill Companies, Inc. Each of Moody's and S&P is established in the European Economic Area (EEA) and registered under Regulation (EC) No 1060/2009, as amended (the CRA Regulation) and are, as of the date of this Prospectus, included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the Rating Agency at any time.

Statement from the Listing Agent:

Nordic Trustee ASA, acting as Listing Agent, has assisted the Issuer in preparing this Securities Note. The Listing Agent has not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and the Listing Agent expressly disclaims any legal or financial liability as to the accuracy or completeness of the information contained in this Securities Note or any other information supplied in connection with bonds issued by the Issuer or their distribution. The statements made in this paragraph are without prejudice to the responsibility of the Issuer. Each person receiving this Securities Note acknowledges that such person has not relied on the Listing Agent nor on any person affiliated with it in connection with its investigation of the accuracy of such information or its investment decision.

6. Appendix:

- Bond Agreement

Bond Agreement

Entered into:	10 March 2015
between the Issuer:	Storebrand Livsforsikring AS
Company No.	958 995 369
and the Bond Trustee:	Nordic Trustee ASA
Company No.	963 342 624
on behalf of the Bondholders in:	FRN Storebrand Livsforsikring AS Perpetual Subordinated Bond 2015
with ISIN:	NO 0010732464

The Issuer undertakes to issue the Bonds in accordance with the terms set forth in this Bond Agreement.

1. Terms of the Issue

The terms of the Issue are as follows, supplemented by the definitions and clarifications set forth in Section 2:

Maximum Amount:	NA	
Initial Amount:	1,000,000,000	
Face Value:	1,000,000	
Currency:	NOK (Norwegian Krone)	
Issue Date:	17 March 2015	
Maturity Date:	Perpetual	
Redemption Price:	100 % of Face Value, subject to Clause 3.7.1.	
Call:	Ordinary call: 17 March 2020 (the " First Call Date "), and on any Coupon Date thereafter. Regulatory call: See Clause 3.6.2	Call price = Redemption Price
Put:	NA	NA
Coupon Accrual Date:	Issue Date	
Coupon:	Reference Rate + Margin	
Reference Rate:	3 months (NIBOR)	
Margin:	3,05 percentage points p.a. until 17 March 2025, thereafter 4,05 percentage points p.a.	
Coupon Date:	17 March, 17 June, 17 September and 17 December each year.	
Day Count Fraction:	Actual/360	
Additional Return:	NA	
Business Day Convention:	Modified Following	

Listing:	YES
Exchange:	Oslo Børs

2. Clarifications and definitions

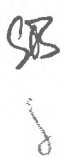
When used in this Bond Agreement, the following words and terms shall have the following meaning and definition:

Applicable Regulations:	<p>(i) prior to the implementation of Solvency II into Norwegian law, any legislation, rules or regulations (whether having the force of law or otherwise) applying to the Issuer, the Issuer Group or any member of the Issuer Group from time to time relating to the characteristics, features or criteria of own funds or capital resources and, for the avoidance of doubt and without limitation to the foregoing, includes any legislation, rules or regulations relating to such matters which are supplementary or extraneous to the obligations imposed on Norway by Solvency I or the Solvency II Directive;</p> <p>(ii) following the implementation of Solvency II into Norwegian law, such rules and regulations as introduced in Norway from time to time for the purposes of implementing Solvency II into Norwegian law.</p>
Arrears of Interest	Any interest not paid on an Optional Interest Payment Date or a Mandatory Interest Date as set forth in Clause 3.5.3.
Attachment:	Any attachments to this Bond Agreement.
Bankruptcy Event:	A decision by the Ministry of Finance that the Issuer shall become subject to public administration (No: Offentlig administrasjon) according to the Act on Guarantee Schemes for Banks and Public Administration (Act 6 December 1996 no. 75) (NO: Banksikringsloven), as amended from time to time.
Bond Agreement:	This agreement including any Attachments to which it refers, and any subsequent amendments and additions agreed between the parties hereto.
Bond Trustee:	Nordic Trustee ASA or its successor(s).
Bondholder:	Holder of Bond(s) as registered in the Securities Register.
Bondholders' Meeting:	Meeting of Bondholders as set forth in Section 5 of this Bond Agreement.
Bonds:	Securities issued pursuant to this Bond Agreement and which is registered in the Securities Register, each a "Bond".
Business Day:	Any day when the Norwegian Central Bank's Settlement System is open and when Norwegian banks can settle foreign currency transactions.
Business Day Convention:	<p>Convention for adjusting any relevant payment date ("Payment Date") if it would otherwise fall on a day that is not a Business Day;</p> <p>(i) If Modified Business Day is specified, the applicable Payment Date shall be the first following Business Day.</p> <p>(ii) If Modified Following Business Day is specified, the applicable Payment Date shall be the first following Business Day unless that day falls in the next calendar month, in which case the date shall be the first preceding Business Day.</p> <p>(iii) If No Adjustment is specified, the applicable Coupon Payment Date shall not be adjusted even if that day is not a</p>

	Business Day (payments shall be made on the first following Business Day).
Call:	Issuer's early redemption as set forth in Clause 3.6 (Optional Redemption).
Capital Disqualification Event:	An event which occurs if, as a result of any replacement of or change to (or change to the interpretation by any court or authority entitled to do so of) the Applicable Regulation which becomes effective on or after the Issue Date (including the implementation of Solvency II), the Bonds or part of the Bonds are no longer eligible in accordance with the Applicable Regulations to count as cover for the capital or solvency requirements (however such terms are described from time to time in the Applicable Regulations) for the Issuer whether on a single or consolidated basis, except where in the case such non-qualification is only a result of any applicable limitation on the amount of such capital.
Capital Requirement Breach:	A breach of the applicable capital requirements or solvency requirements from time to time (as such requirements are defined) under the Applicable Regulations and for the avoidance of any doubt and without limitation to the foregoing, including a breach of the solvency capital requirement as defined in Solvency II.
Compulsory Interest Payment Date:	Any Coupon Date, other than a Mandatory Interest Deferral Date, where a decision of payment of any distribution or dividend or other payment (including payment in relation to redemption or repurchase) on or in respect of any Junior Obligations has been made by the Issuer during the six months immediately preceding such Coupon Date.
Coupon:	Rate of interest applicable to the Bonds; (i) If the Coupon is stated in percentage points, the Bonds shall bear interest at this rate per annum (based on the Day Count Fraction set forth in Section 1), from and including the Coupon Accrual Date to the Maturity Date. (ii) If the Coupon is stated as Reference Rate + Margin the Bonds shall bear interest at a rate per annum equal to the Reference Rate + Margin (based on the Day Count Fraction set forth in Section 1), from and including the Coupon Accrual Date to the first Coupon Date, and thereafter from and including each Coupon Date to the next Coupon Date until Maturity Date. If the Coupon becomes negative, the Coupon shall be deemed to be zero.
Coupon Accrual Date:	The date on which interest on the Bond starts to accrue. If NA is specified, Coupon Accrual Date does not apply.
Coupon Date:	Date(s) on which the payment of Coupon falls due. The Coupon Date shall be adjusted pursuant to the Business Day Convention.
Currency:	The currency in which the Bonds are denominated.
Day Count Fraction:	The convention for calculation of payment of Coupon. (i) If 30/360 is specified, the number of days in the relevant coupon period shall be calculated from and including the Coupon Accrual Date/Coupon Date to the next Coupon Date on basis of a year of 360 days with 12 months of 30 days divided by 360, unless (a) the last day in the relevant coupon period is the 31 st calendar day but the first day of the relevant coupon period is a day other than the 30 th or the

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	<p>31st day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month, or</p> <p>(b) the last day of the relevant coupon period is the last calendar day in February, in which case February shall not be considered to be lengthened to a 30-day month.</p> <p>(ii) If Actual/360 is specified, the actual number of days in the relevant coupon period shall be from and including the Coupon Accrual Date/Coupon Date to the next Coupon Date. The number of days shall be divided by 360.</p>
Event of Default	No event of default, cf. Clause 3.9
Exchange:	Exchange or other recognized marketplace for securities, on which the Issuer has, or has applied for, listing of the Bonds.
Face Value:	The face value of each Bond.
Financial Institution	Entity with authorization according to the Norwegian Financial Institution Act (1988/40)
First Call Date	17 March 2020
Initial Amount:	The amount equal to the aggregate Face Value of the Bonds (minimum) issued on the Issue Date.
ISIN:	The identification number of the Bonds (International Securities Identification Number).
Issue:	The issue of Bonds pursuant to this Bond Agreement.
Issue Date:	The date of the first Issue. If Maximum Amount is NA the first issue is the only issue of Bonds.
Issuer:	The person or entity that has issued the Bonds and is the borrower (debtor).
Issuer's Bonds:	Bonds owned by the Issuer, any party who has decisive influence over the Issuer, or any party over whom the Issuer has decisive influence.
Issuer Group:	The Issuer and its subsidiaries (as such term is defined in Sections 1-3, cf 1-4, of the Norwegian Companies Act (No: Aksjeloven).
Issuer's Supervisor:	The Financial Supervisory Authority of Norway and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer and the Issuer Group.
Junior Obligations:	(i) the Issuer's share capital, (ii) any other obligations of any member of the Issuer Group ranking or expressed to rank junior to the Bonds issued by the Issuer.
Listing:	Indicates listing of the Bonds. If YES is specified, the Issuer shall submit an application in order to have the Bonds listed on the Exchange(s).
Mandatory Interest Deferral Date:	Each Coupon Date immediately following (i) the date as of which the Issuer's most recent quarterly report to the Issuer Supervisor disclosed that a Capital Requirement Breach has occurred, or there is a risk that a Capital Requirement Breach or a Bankruptcy Event would occur as a result of the payment of Interest, provided that such Coupon Date shall not be a Mandatory Interest Deferral Date if, since the date of publication of such report, the Issuer has remedied the Capital Requirement Breach and that no such event will occur as a result of the interest payment, and/or (ii) the occurrence of any event which under the Applicable Regulations



	would require the Issuer to defer or suspend payment of interest in respect of the Bonds (unless Issuer Supervisor has waived such requirement). Notwithstanding that an Coupon Date may be a Mandatory Interest Deferral Date, interest may still be paid on that relevant Coupon Date to the extent permitted under, and in accordance with, Solvency II and/or the Applicable Regulations.
Margin:	Margin expressed in percentage points to be added to the Reference Rate (if the Margin is negative, it shall be deducted from the Reference Rate).
Maturity Date:	The date on which the Bonds fall due. The Maturity Date shall be adjusted pursuant to the Business Day Convention.
Maximum Amount:	Amount stating the maximum aggregate Face Value of Bonds which may be issued pursuant to this Bond Agreement. If NA is specified, the aggregate Face Value of the Bonds issued may not exceed the amount specified as the Initial Amount.
NIBOR:	(Norwegian Interbank Offered Rate) Interest rate fixed for a defined period on Oslo Børs' webpage at approximately 12.15 Oslo time. In the event that such page is not available, has been removed or changed such that the quoted interest rate no longer represents, in the opinion of the Bond Trustee, a correct expression of the Reference Rate, an alternative page or other electronic source which in the opinion of the Bond Trustee and the Issuer gives the same interest rate as the initial Reference Rate shall be used. If this is not possible, the Bond Trustee shall calculate the Reference Rate based on comparable quotes from major banks in Oslo.
Optional Interest Deferral Date:	Any Coupon Date which is not a Compulsory Interest Payment Date or a Mandatory Interest Deferral Date.
Optional Redemption	Issuer's Call pursuant to Clause 3.6 (Optional Redemption) at the dates stated therein at the Redemption Price, ref. also Clause 3.8. The relevant redemption dates shall be adjusted pursuant to the Business Day Convention.
Outstanding Bonds:	The aggregate value of the total number of Bonds not redeemed or otherwise discharged in the Securities Register.
Parity Obligations:	Any obligations of the Issuer together with any other obligations of the Issuer Group ranking or expressed to rank pari passu with the Bonds.
Paying Agent:	The entity acting as registrar for the Bonds in the Securities Register and paying agent on behalf of the Issuer in the Securities Register.
Rating Agency:	Moody's Investors Service, Inc., Standard & Poor's Rating Services, a division of the McGraw Hill Companies, Inc., or any successor thereof.
Rating Agency Event:	A change in the rating methodology, or in the interpretation of such methodology, as the case may be, becoming effective after the Issue Date, as a result of which the capital treatment assigned by a Rating Agency to the Bonds or part thereof, as notified by such Rating Agency to the Issuer or as published by such Rating Agency, becomes, in the reasonable opinion of the Issuer, materially unfavourable for the Issuer, when compared to the capital treatment assigned by such Rating Agency to the Bonds, as

	notified by such Rating Agency to the Issuer or as published by such Rating Agency, on or around the Issue Date.
Redemption Notice	The written notification of exercise of an Optional Redemption as set forth in Clause 3.6.3.
Redemption Price:	the Face Value of the Bonds, subject to any adjustment following a Reduction of Amounts of Principal as set put in Clause 3.7.1.
Reference Rate:	NIBOR rounded to the nearest hundredth of a percentage point on each Reset Date, for the period stated.
Reset Date:	Dates on which the Coupon is fixed for the subsequent coupon period for Bonds where Reference Rate applies. The first Reset Date is two Business Days before the Coupon Accrual Date. Thereafter the Reset Date is two Business Days prior to each Coupon Date.
Securities Register:	The securities register in which the Bonds are registered.
Solvency II:	Directive 2009/138/EC of 25 November 2009 on the taking-up and pursuit of business of Insurance and Re-insurance (Solvency II directive) and any implementing measures adopted pursuant to the Solvency II directive (as amended from time to time) which is intended to enter into force in member states of the European Economic Area by 1 January 2016.
Taxation Event:	An event which occurs as a result of any amendment to, clarification of or change (including any announced prospective change) in the laws or treaties (or regulations thereunder) of Norway affecting taxation (including any change in the interpretation by any court or authority entitled to do so) or any governmental action, on or after the Issue Date, and there is a substantial risk that: <ul style="list-style-type: none"> (i) The Issuer is, or will be, subject to more than a significant material amount of other taxes, duties or other governmental charges or civil liabilities with respect to the Bonds; (ii) The treatment of any of the Issuer's items of income or expense with respect to the Bonds as reflected on the tax returns (including estimated returns) filed (or to be filed) by the Issuer will not be respected by a taxing authority, which subjects the Issuer to more than a significant material amount of additional taxes, duties or other governmental charges; or (iii) The Issuer would be required to gross up interest payments.
Voting Bonds:	Outstanding Bonds less Issuer's Bonds.

3. Other terms of the Issue

3.1 The purpose of the Issue

- 3.1.1 The purpose of the Issue is to replace the NOK 1,000,000,000 floating rate perpetual subordinated bonds issued by the Issuer on 30 June 2009 (with ISIN NO0010521628). The Issuer also intends for the Bonds to qualify as Tier 2 capital for the purpose of the Applicable Regulation and as determined by the Issuer Supervisor.

3.2 Listing and prospectus

- 3.2.1 In the event that the Bonds are listed on the Exchange, matters concerning the listing requiring the approval of the Bondholders shall be resolved pursuant to the terms of this Bond Agreement.

In the event that the Bonds are listed on the Exchange, the Issuer shall submit the documents and the information necessary to maintain the listing.

The Issuer shall ensure that this Bond Agreement shall be incorporated in any prospectus and other subscription or information materials related to the Bonds.

3.3 Status

- 3.3.1 The Bonds will constitute direct, unsecured and subordinated debt obligations, and will in connection with a Bankruptcy Event of the Issuer rank:

- (a) pari passu without any preference among the Bonds;
- (b) pari passu with all outstanding Parity Obligations;
- (c) in priority to payments to creditors in respect of Junior Obligations;
- (d) junior in right of payment to any present or future claims of (i) policyholders of the Issuer, (ii) dated subordinated indebtedness of the Issuer, and (iii) any other unsubordinated creditors of the Issuer.

3.4 Security

- 3.4.1 The Bonds are unsecured.

3.5 Deferral of Payments

- 3.5.1 Optional Deferral of Interest

The Issuer may on any Optional Interest Deferral Date by notice to the Bond Trustee defer payment of all (but not only some) of the interest accrued but unpaid to that date.

- 3.5.2 Mandatory Deferral of Interest

The Issuer will on any Mandatory Interest Deferral Date by notice to the Bond Trustee (together with a certificate signed by authorised signatories of the Issuer confirming the relevant Coupon Date is a Mandatory Interest Deferral Date) defer payment of all (but not only some) of the interest accrued but unpaid to that date.

- 3.5.3 Payment of Deferred Interest

Any interest not paid on an Optional Interest Deferral Date or a Mandatory Interest Deferral Date (“**Arrears of Interest**”) may at the option of the Issuer, be paid in whole or in part at the next Coupon Date which is not a Mandatory Interest Deferral Date, and shall, subject to prior approval from the Issuer Supervisor (to the extent required under the Applicable Regulations), be paid in whole on a date which is not a Mandatory Interest Deferral Date at the earliest of:

- (a) the next Coupon Date which is a Compulsory Interest Payment Date or seven (7) days after the date when the requirements for a Compulsory Interest Payment Date would be deemed to be satisfied, if such date falls earlier than the next Coupon Date;
 - (b) the date of any redemption of the Bonds in accordance with the terms and conditions for the Bonds;
 - (c) the date of a Bankruptcy Event; or
 - (d) the date on which the Issuer pays, or any other person declares or pays, any distribution or dividend or makes any payment (including payment in relation to redemption or repurchase) on or in respect of any Junior Obligations or Parity Obligations, or the date on which any dividend or other distribution on or payment (including payment in relation to redemption or repurchase) on or in respect of the Issuer's share capital is paid.
- Interest will not accrue on Arrears of Interest.

3.6 Optional Redemption

- 3.6.1 The Issuer may on the First Call Date or any Coupon Date thereafter, if the Issuer provided satisfactory evidence to the holders of the Bonds, represented by the Bond Trustee, that (i) in the opinion of the Issuer Supervisor no Capital Requirement Breach has occurred or is likely to occur as a result of a redemption, and (ii) the Issuer has received prior consent of the Issuer Supervisor, redeem all (but not only some only) of the outstanding Bonds at the Redemption Price plus accrued and unpaid interest, including Arrears of Interest (if any), without any premium or penalty.
- 3.6.2 If the Issuer provides satisfactory evidence to the holders of the Bonds, represented by the Bond Trustee, that a;
- (a) Capital Disqualification Event;
 - (b) Rating Agency Event; or
 - (c) Taxation Event;

has occurred when the Bonds are outstanding, the Issuer may subject to (i) no Capital Requirement Breach having occurred or would occur as a result of a redemption, and (ii) prior consent of the Issuer Supervisor, redeem all (but not only some only) of the outstanding Bonds at the Redemption Price plus accrued and unpaid interest, including Arrears of Interest (if any), without premium or penalty. In case of redemption within the period of 5 years from Issue Date (i) the Issuer shall deliver a statement determining that the circumstances entitling it to exercise the right of redemption was concluded or judged to have been unlikely to occur at the Issue Date; and (ii) such redemption shall be funded out of the proceeds from new issuance of capital of at least the same quality as the Bond (unless such requirement no longer is required under Solvency II and/or Applicable Regulations).

- 3.6.3 Exercise of an Optional Redemption pursuant to this Clause 3.6 shall be notified in writing to the Bondholders, such notification to be sent via the Bond Trustee, alternatively through the Securities Register, with a copy to the Bond Trustee and the Exchange, at least thirty (30) Business Days prior to the relevant redemption date (the "**Redemption Notice**").

3.7 Reduction of Amounts of Principal

- 3.7.1 The Bond may be utilized by the Issuer to absorb losses by a reduction (write down) of principal amounts of its subordinated debt capital pursuant to Applicable Regulations and ancillary regulations. Provide the audited accounts of show that a substantial part of

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subordinated debt capital has been lost such a write down may be resolved by a shareholder's meeting of the Issuer acting upon a proposal by the board of directors.

The Issuer undertakes that such a proposal would include a recommendation that principal in respect of Tier 1 indebtedness should be written down prior to any principal in respect of undated Tier 2 subordinated indebtedness, and any undated Tier 2 subordinated indebtedness should be written down prior to any principal in respect of any dated Tier 2 subordinated indebtedness.

Pursuant to the above, and subject to applicable provisions of Norwegian law, the Issuer undertakes that it will, subject to prior approval from the Issuer Supervisor (to the extent required under the Applicable Regulations), recommend that its shareholders cancel all principal in respect of all Tier 1 Capital and all paid up equity and equity fund/retained earnings of the Issuer before cancelling any principal in respect of the Bonds and on a pro rata basis with all other pari passu claims.

The Issuer shall give not more than 30 nor less than 5 Business Days' prior notice to the Bond Trustee, and to the Bondholders, of any cancellation of principal in respect of the Bonds.

To the extent that part only of the outstanding principal amount of the Bonds has been cancelled as provided above;

- (i) the partial cancellation is effected either by a reduction (write down) of the accrued and unpaid interest first and secondly a write down of the Outstanding Bonds by a pro rata reduction of Bonds between the Bondholders, or by a reduction of the Redemption Price, or any other mechanics applied to effect the cancellation of principal, and
- (ii) interest will continue to accrue in accordance with the terms hereof on the then outstanding principal amount of the Bonds.

3.8 Payments

- 3.8.1 On each Coupon Date, subject to the provisions in Clause 3.5, the Issuer shall in arrears pay the accrued Coupon amount to the Bondholders.
- 3.8.2 The Issuer may not apply any counterclaims in set-off against its payment obligations pursuant to this Bond Agreement.
- 3.8.3 If exercising an Optional Redemption subject to Clause 3.6, the Issuer shall redeem all (but not some only) of the Outstanding Bonds at the Redemption Price plus accrued and unpaid interest, including Arrears of Interest (if any), without any premium or penalty.
- 3.8.4 Amounts payable to the Bondholders by the Issuer shall be available to the Bondholders on the date the amount is due pursuant to this Bond Agreement.

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3.9 Events of default

This Bond Agreement does not contain any event of default provision and neither the Bond Trustee nor the Bondholders may declare any event of default by the Issuer of any of its obligations under the Bond Agreement neither on the basis of the Bond Agreement nor on the basis of general principles of Norwegian law.

Bondholders may only demand prepayment in the event of actual bankruptcy/liquidation of the Issuer.

4 Other terms and conditions

4.1 Conditions precedent

4.1.1 The Bond Trustee shall have received the following documentation, no later than 2 – two – Business Days prior to the Issue Date:

- (a) this Bond Agreement duly signed,
- (b) the Issuer's corporate resolution to make the Issue,
- (c) confirmation that the relevant individuals are authorised to sign on behalf of the Issuer this Bond Agreement and other relevant documents in relation hereto, (Company Certificate, Power of Authority etc.),
- (d) the Issuer's Articles of Association,
- (e) confirmation that the requirements set forth in Chapter 7 of the Norwegian Securities Trading Act (prospectus requirements) are fulfilled,
- (f) to the extent necessary, any public authorisations required for the Issue,
- (g) confirmation that the Bonds have been registered in the Securities Register,
- (h) any agreement regarding the Bond Trustee's fees and expenses as set forth in Clause 4.8.2 duly signed,
- (i) confirmation according to Clause 4.2.2 if applicable,
- (j) approval from the Issuer Supervisor regarding issuance of Bonds in accordance with Clause 3.1,
- (k) any other relevant documentation presented in relation to the Issue, and
- (l) any statements (including legal opinions) required by the Bond Trustee regarding documentation in this Clause 4.1.1.

4.1.2 The Bond Trustee may, in its reasonable opinion, waive the deadline or requirements for the documentation as set forth in Clause 4.1.1.

4.1.3 The Issuance of the Bonds is subject to the Bond Trustee's written notice to the Issuer, the manager of the Issue and the Paying Agent that the documents have been controlled and that the required conditions precedent are fulfilled.

4.2 Representations and warranties

4.2.1 At any Issue, the Issuer represents and warrants that:

- (a) all information which has been presented in relation to such Issue is, to the best knowledge of the Issuer, in accordance with the facts and contains no omissions likely to effect the importance of the information as regards the evaluation of the Bonds, and that the Issuer has taken all reasonable measures to ensure this,

- (b) the Issuer has made a valid resolution to make such Issue, and such Issue does not contravene any of the Issuer's other liabilities, and
- (c) public requirements have been fulfilled (i.a. Norwegian Securities Trading Act Chapter 7 and the Norwegian Issue Regulations 1996 no. 1247), and that any required public authorisations have been obtained.

4.2.2 The Bond Trustee may prior to any Issue require a statement from the Issuer confirming the Issuer's compliance with Clause 4.2.1.

4.3 Registration of Bonds

4.3.1 The Issuer shall continuously ensure the correct registration of the Bonds in the Securities Register.

4.4 Interest Rate Fixing

4.4.1 If, pursuant to this Bond Agreement, the Coupon shall be adjusted during the term of the Bonds, any adjustments shall be carried out by the Bond Trustee. The Bondholders, the Issuer, the Paying Agent and the Exchange shall be notified of the new Coupon applicable until the next Coupon Date.

4.5 The Issuer's acquisition of Bonds

4.5.1 The Issuer or any of its subsidiaries may at any time purchase Bonds in any manner at any price, subject to (i) prior consent of the Issuer Supervisor, and in the case of purchase within the period of 5 years from the Issue Date, (ii) such purchase shall be funded out of the proceeds from new issuance of capital of at least the same quality as the Bonds (unless such requirement no longer is required under Solvency II and/or Applicable Regulations).

4.6 Information covenants

4.6.1 The Issuer undertakes to:

- a) without being requested to do so, inform the Bond Trustee of any other event which may have a material effect on the Issuer's ability to fulfil its obligations pursuant to this Bond Agreement,
- b) without being requested to do so, inform the Bond Trustee if the Issuer intends to sell or dispose of all or a substantial part of its assets or operations or change the nature of its business,
- c) upon request, provide the Bond Trustee with its annual and interim reports and any other information reasonably required by the Bond Trustee,
- d) upon request report to the Bond Trustee the balance of Issuer's Bonds,
- e) without being requested to do so, provide a copy to the Bond Trustee of any notice to its creditors to be made according to applicable laws and regulations,
- f) without being requested to do so, send a copy to the Bond Trustee of notices to the Exchange which have relevance to the Issuer's liabilities pursuant to this Bond Agreement,
- g) without being requested to do so and without any delay, inform the Bond Trustee of any events described in Clause 3.5, 3.6 and 3.7,
- h) without being requested to do so, inform the Bond Trustee of changes in the registration of the Bonds in the Securities Register, and

- i) without being requested to do so, annually in connection with the release of its annual report, or upon request, confirm to the Bond Trustee compliance with any covenants set forth in this Bond Agreement.

4.7 Notices

- 4.7.1 Written notices, warnings, summons etc to the Bondholders made by the Bond Trustee shall be sent via the Securities Register with a copy to the Issuer and the Exchange. Information to the Bondholders may also be published at the web site www.stamdata.no.
- 4.7.2 The Issuer's written notifications to the Bondholders shall be sent via the Bond Trustee, alternatively through the Securities Register with a copy to the Bond Trustee and the Exchange.

4.8 Expenses

- 4.8.1 The Issuer shall cover all its own expenses in connection with this Bond Agreement and the fulfillment of its obligations hereunder, including the 'preparation of this Bond Agreement, listing of the Bonds on the Exchange, and the registration and administration of the Bonds in the Securities Register.
- 4.8.2 The expenses and fees payable to the Bond Trustee shall be paid by the Issuer. For Financial Institutions, and Norwegian governmental issuers, annual fee will be determined according to applicable fee structure and terms and conditions presented at the Bond Trustee's web site (www.nordictrustee.no) at the Issue Date, unless otherwise is agreed with the Bond Trustee. For other issuers a separate fee agreement will be entered into. Fees and expenses payable to the Bond Trustee which, due to insolvency or similar by the Issuer, are not reimbursed in any other way may be covered by making an equivalent reduction in the payments to the Bondholders.
- 4.8.3 Any public fees payable in connection with this Bond Agreement and fulfilling of the obligations pursuant to this Bond Agreement shall be covered by the Issuer. The Issuer is not responsible for reimbursing any public fees levied on the trading of Bonds.
- 4.8.4 The Issuer is responsible for withholding any withholding tax imposed by Norwegian law.

5 Bondholders' Meeting

Authority of the Bondholders' Meeting

- 5.1.1 The Bondholders' Meeting represents the supreme authority of the Bondholders' community in all matters regarding the Bonds. If a resolution by or an approval of the Bondholders is required, such resolution shall be passed at a Bondholders' Meeting. Resolutions passed at Bondholders' Meetings shall be binding and prevail for all Bonds.

5.2 Procedural rules for the Bondholders' Meeting

- 5.2.1 A Bondholders' Meeting shall be held at the request of:
 - (a) the Issuer,
 - (b) Bondholders representing at least 1/10 of the Voting Bonds,
 - (c) the Bond Trustee, or

(d) the Exchange.

- 5.2.2 The Bondholders' Meeting shall be summoned by the Bond Trustee. A request for a Bondholders' Meeting shall be made in writing to the Bond Trustee, and shall clearly state the matters to be discussed.
- 5.2.3 If the Bond Trustee has not summoned a Bondholders' Meeting within 10 – ten – Business Days after having received such a request, then the requesting party may summons the Bondholders' Meeting itself.
- 5.2.4 Summons to a Bondholders Meeting shall be dispatched no later than 10 – ten – Business Days prior to the Bondholders' Meeting. The summons and a confirmation of each Bondholder's holdings of Bonds shall be sent to all Bondholders registered in the Securities Register at the time of distribution. The summons shall also be sent to the Exchange for publication.
- 5.2.5 The summons shall specify the agenda of the Bondholders' Meeting. The Bond Trustee may in the summons also set forth other matters on the agenda than those requested. If amendments to this Bond Agreement have been proposed, the main content of the proposal shall be stated in the summons.
- 5.2.6 The Bond Trustee may restrict the Issuer to make any changes in the number of Voting Bonds in the period from distribution of the summons until the Bondholders' Meeting.
- 5.2.7 Matters that have not been reported to the Bondholders in accordance with the procedural rules for summoning of a Bondholders' Meeting may only be adopted with the approval of all Voting Bonds.
- 5.2.8 The Bondholders' Meeting shall be held on premises designated by the Bond Trustee. The Bondholders' Meeting shall be opened and shall, unless otherwise decided by the Bondholders' Meeting, be chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting shall be opened by a Bondholder, and be chaired by a representative elected by the Bondholders' Meeting.
- 5.2.9 Minutes of the Bondholders' Meeting shall be kept. The minutes shall state the number of Bondholders represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the result of the voting. The minutes shall be signed by the chairman and at least one other person elected by the Bondholders' Meeting. The minutes shall be deposited with the Bond Trustee and shall be available to the Bondholders.
- 5.2.10 The Bondholders, the Bond Trustee and representatives of the Exchange have the right to attend the Bondholders' Meeting. The chairman may grant access to the meeting to other parties, unless the Bondholders' Meeting decides otherwise. Bondholders may attend by a representative holding proxy. Bondholders have the right to be assisted by an advisor. In case of dispute the chairman shall decide who may attend the Bondholders' Meeting and vote for the Bonds.
- 5.2.11 Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve that the Issuer's representatives may not participate in particular matters. The Issuer has the right to be present under the voting.

5.3 Resolutions passed at Bondholders' Meetings

- 5.3.1 At the Bondholders' Meeting each Bondholder may cast one vote for each Voting Bond owned at close of business on the day prior to the date of the Bondholders' Meeting in accordance with the records registered in the Securities Register. Whoever opens the Bondholders' Meeting shall adjudicate any question concerning which Bonds shall count as Issuer's Bonds. Issuer's Bonds have no voting rights.
- 5.3.2 In all matters to be dealt with at the Bondholders' Meeting, the Issuer, the Bond Trustee and any Bondholder have the right to demand vote by ballot. In case of parity of votes, the chairman shall have the deciding vote, regardless of the chairman being a Bondholder or not.
- 5.3.3 In order to form a quorum, at least half (1/2) of the Voting Bonds must be represented at the meeting, see however Clause 5.4. Even if less than half (1/2) of the Voting Bonds are represented, the Bondholders' Meeting shall be held and voting completed.
- 5.3.4 Resolutions shall be passed by simple majority of the votes at the Bondholders' Meeting, unless otherwise set forth in clause 5.3.5.
- 5.3.5 In the following matters, a majority of at least 2/3 of the votes is required:
 - (a) any amendment of the terms of this Bond Agreement regarding the Coupon, the tenor, redemption price and other terms and conditions affecting the cash flow of the Bonds.
 - (b) the transfer of rights and obligations of this Bond Agreement to another issuer (borrower), or
 - (c) change of Bond Trustee.
- 5.3.6 The Bondholders' Meeting may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- 5.3.7 The Bond Trustee shall ensure that resolutions passed at the Bondholders' Meeting are properly implemented.
- 5.3.8 The Issuer, the Bondholders and the Exchange shall be notified of resolutions passed at the Bondholders' Meeting.

5.4 Repeated Bondholders' Meeting

- 5.4.1 If the Bondholders' Meeting does not form a quorum pursuant to Clause 5.3.3, a repeated Bondholders' Meeting may be summoned to vote on the same matters. The attendance and the voting result of the first Bondholders' Meeting shall be specified in the summons for the repeated Bondholders' Meeting.
- 5.4.2 When a matter is tabled for discussion at a repeated Bondholders' Meeting, a valid resolution may be passed even though less than half (1/2) of the Voting Bonds are represented.

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6 The Bond Trustee

6.1 The role and authority of the Bond Trustee

- 6.1.1 The Bond Trustee shall monitor the compliance by the Issuer of its obligations under this Bond Agreement and applicable laws and regulations which are relevant to the terms of this Bond Agreement, including supervision of timely and correct payment of principal or interest, informing the Bondholders, the Paying Agent and the Exchange of relevant information which is obtained and received in its capacity as Bond Trustee (however this shall not restrict the Bond Trustee from discussing matters of confidentiality with the Issuer), arrange Bondholders' Meetings, and make the decisions and implement the measures resolved pursuant to this Bond Agreement. The Bond Trustee is not obligated to assess the Issuer's financial situation beyond what is directly set forth in this Bond Agreement.
- 6.1.2 The Bond Trustee may take any step necessary to ensure the rights of the Bondholders in all matters pursuant to the terms of this Bond Agreement. The Bond Trustee may postpone taking action until such matter has been put forward to the Bondholders' Meeting.
- 6.1.3 The Bond Trustee may reach decisions binding for all Bondholders concerning this Bond Agreement, including amendments to the Bond Agreement, which, in the opinion of the Bond Trustee, do not have a material adverse effect on the rights or interests of the Bondholders pursuant to this Bond Agreement, see however Clause 6.1.5.
- 6.1.4 The Bond Trustee may reach decisions binding for all Bondholders in circumstances other than those mentioned in Clause 6.1.3 provided prior notification to the Bondholders are given, see however Clause 6.1.5. Such notice shall contain a proposal of the amendment and the Bond Trustee's evaluation. Further, such notification shall state that the Bond Trustee may not reach a decision binding for all Bondholders in the event that any Bondholder submit a written protest against the proposal within a deadline set by the Bond Trustee. Such deadline may not be less than five (5) Business Days after the date of such notification.
- 6.1.5 The Bond Trustee may not reach decisions pursuant to Clauses 6.1.3 or 6.1.4 for matters set forth in Clause 5.3.5 except to rectify obvious incorrectness, vagueness or incompleteness.
- 6.1.6 The Bond Trustee may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- 6.1.7 The Issuer, the Bondholders and the Exchange shall be notified of decisions made by the Bond Trustee pursuant to Clause 6.1 unless such notice obviously is unnecessary.
- 6.1.8 The Bondholders' Meeting can decide to replace the Bond Trustee without the Issuer's approval, as provided for in Clause 5.3.5.

6.2 Termination and recovery

- 6.2.1 The Bond Trustee may take any action it deems necessary in order to protect the interests of the Bondholders.
- 6.2.2 Should the Bond Trustee receive a written demand to take action as set forth in Clause 6.2.1 from Bondholders representing at least 1/5 of Voting Bonds, the Bond Trustee shall

take such actions unless the Bondholders' Meeting has passed a resolution for alternative solutions,

- 6.2.3 The Bond Trustee shall be indemnified by the Bondholders for any results (including any expenses, costs and liabilities) of taking action pursuant to Clause 6.2.2 or pursuant to the Bondholders' Meeting having declared the Bonds to be in default. The Bond Trustee may claim indemnity and security from the Bondholders who put forward the demand in accordance with clause 6.2.2 or voted for the adopted resolution at the Bondholders' Meeting.

6.3 Liability and indemnity

- 6.3.1 The Bond Trustee is liable only for direct losses incurred by Bondholders or the Issuer as a result of negligence or wilful misconduct by the Bond Trustee in performing its functions and duties as set forth in this Bond Agreement. The Bond Trustee is not liable for the content of information provided to the Bondholders on behalf of the Issuer.
- 6.3.2 The Issuer is liable for and shall indemnify the Bond Trustee fully in respect of all direct losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer to fulfill its obligations under the terms of this Bond Agreement, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the establishment and performance of this Bond Agreement.

6.4 Change of Bond Trustee

- 6.4.1 Change of Bond Trustee shall be carried out pursuant to the procedures set forth in Section 5. The Bond Trustee shall continue to carry out its duties as bond trustee until such time that a new Bond Trustee is elected.
- 6.4.2 The fees and expenses of a new bond trustee shall be covered by the Issuer pursuant to the terms set out in Clause 4.9, but may be recovered wholly or partially from the Bond Trustee if the change is due to a breach of the Bond Trustee duties pursuant to the terms of this Bond Agreement or other circumstances for which the Bond Trustee is liable.
- 6.4.3 The Bond Trustee undertakes to co-operate so that the new bond trustee receives without undue delay following the Bondholders' Meeting the documentation and information necessary to perform the functions as set forth under the terms of this Bond Agreement.

7 General provisions

7.1 The Bondholders' community

- 7.1.1 Through their subscription, purchase or other transfer of Bonds, the Bondholders will be deemed to have acceded to this Bond Agreement and hereby accept that:
- (a) the Bondholders are bound by the terms of this Bond Agreement,
 - (b) the Bond Trustee has power and authority to act on behalf of the Bondholders,
 - (c) the Bond Trustee has, in order to administrate the terms of this Bond Agreement, access to the Securities Register to review ownership of Bonds registered in the Securities Register,
 - (d) this Bond Agreement establishes a community between Bondholders meaning that;



- (i) the Bonds rank pari passu between each other,
- (ii) the Bondholders may not, based on this Bond Agreement, act directly towards the Issuer and may not themselves institute legal proceedings against the Issuer,
- (iii) the Issuer may not, based on this Bond Agreement, act directly towards the Bondholders,
- (iv) the Bondholders may not cancel the Bondholders' community, and that
- (v) the individual Bondholder may not resign from the Bondholders' community.

7.1.2 This Bond Agreement shall be publicly available from the Bond Trustee or the Issuer.

7.2 Dispute resolution and legal venue

7.2.1 Disputes arising out of or in connection with this Bond Agreement which are not resolved amicably shall be resolved in accordance with Norwegian law in the Oslo District Court.

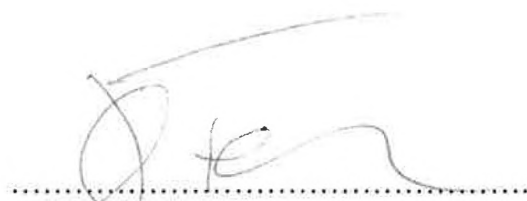
7.3 Amendments

7.3.1 The Issuer and the Bond Trustee shall be entitled to make amendments of the terms of the Bond which are of a formal, minor or technical nature or are made to correct a manifest error. As the Bonds are issued for capital adequacy purposes as set out herein, the Bond Trustee shall furthermore be entitled (but without obligation), upon request from the Issuer and subject to approval from the Issuer Supervisor, to make amendments to the terms of the Bonds to ensure that these continue to qualify as Tier 2 Capital of the Issuer for the purpose of the Applicable Regulations as set out under Purpose above, where such change is required as a result of any change in the relevant laws and regulations, or in any official interpretation thereof. Other amendments to the terms of the Bonds shall be subject to approval if and where relevant, the Issuer Supervisor's consent.

7.4 Contact information

7.4.1 The Issuer and the Bond Trustee shall ensure that the other party is kept informed of any changes in its postal address, e-mail address, telephone and fax numbers and contact persons.


.....
Issuer


.....
Bond Trustee