

Securities Note

FRN Storebrand Livsforsikring AS Callable Subordinated
Bond Issue 2017/2047

NO 0010810237



Storebrand Livsforsikring AS

Arrangers:



Nordea

23.11.2017

Important notice

The Securities Note has been prepared in connection with listing of the securities at Oslo Børs. The Securities Note has been reviewed and approved by the Financial Supervisory Authority of Norway (the "Norwegian FSA") (Finanstilsynet) in accordance with sections 7-7 and 7-8, cf. section 7-3 of the Norwegian Securities Trading Act. The Registration Document was approved by the Norwegian FSA December 13th 2016 and the Supplement to the Registration Document was approved 23rd November 2017 and are still valid as of the date of this Securities Note. This Securities Note together with the Registration Document dated December 13th 2016 and the Supplement to the Registration Document dated 23rd November 2017 constitutes the Prospectus. The Prospectus is valid for a period of up to 12 months following its approval by the Norwegian FSA. 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 Issuer or its subsidiaries may be disclosed after the Securities Note has been made public, but prior to the listing. 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 Issuer or its subsidiaries may not have been changed.

Only the Issuer 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 Issuer and the Arranger 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 Issuer to receive copies of the Securities Note.

This Securities Note should be read together with the Registration Document dated December 13th 2016 and Supplement to the Registration Document dated 23rd November 2017. The documents together constitute a Prospectus.

Factors which are material for the purpose of assessing the market risks associated with Bond

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:

- (i) 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 or incorporated by reference in this Securities Note and/or Registration Document or any applicable supplement;
- (ii) 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;
- (iii) 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;
- (iv) understand thoroughly the terms of the Bonds and be familiar with the behaviour of the financial markets; and
- (v) 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.

Table of contents

| | |
|---|----|
| 1. Risk factors..... | 4 |
| 2. Person responsible..... | 7 |
| 3. Information concerning the securities..... | 8 |
| 4. Definitions..... | 16 |
| 5. Additional information | 19 |
| 6. Appendix: | 20 |

1. Risk factors

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

The Bonds are subject to optional redemption by the Issuer

The Bonds are 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 21 November 2022 (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, (ii) prior consent of the Issuer Supervisor and (iii) the provisions of clause 3.9.3 in the Bond Agreement (as applicable), redeem all (but not only some) of the outstanding Bonds at the Redemption Price, without premium or penalty. 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 until Maturity Date, and that the Issuer Supervisor may prevent the Issuer to redeem the Bonds at Maturity Date. As a consequence of the foregoing, there is a risk that the Bonds are not redeemed by the Issuer at the Maturity Date and that the Bondholders as a result do not 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 or other unsubordinated creditors of the Issuer. 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 or Parity Obligations since the date as provided for in the Bond Agreement 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 Bond Agreement on the then remaining outstanding principal amount of the Bonds.

Changes to the Solvency II Directive

The Issuer is subject to the Solvency II Directive. Changes to this directive may result in the Bonds no longer being eligible to count as cover for the capital or solvency requirements for the Issuer. This would lead to a Capital Disqualification Event, where the bonds could be redeemed by the issuer at a price that could be lower than the market value at the time of redemption.

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. Such issuance of further debt 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 STIBOR 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 STIBOR 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 STIBOR 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 Bond Agreement 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 Bond Agreement 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 Bond Agreement 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 set out in the Bond Agreement.

Market risks related to the Bonds

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 Swedish kroner (SEK). 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 SEK. These include the risk that exchange rates may significantly change (including changes due to devaluation of SEK 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 by S&P. 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

PERSONS RESPONSIBLE FOR THE INFORMATION

Persons responsible for the information given in the Prospectus are as follows:

Storebrand Livsforsikring AS,
Professor Kohts vei 9,
1366 Lysaker,
Norway.

DECLARATION BY PERSONS 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.

23.11.2017

Storebrand Livsforsikring AS

3. Information concerning the securities

| | |
|---------------------------------------|---|
| ISIN code: | NO 0010810237 |
| The Bonds/The Issue: | FRN Storebrand Livsforsikring AS Callable Subordinated Bond Issue 2017/2047. |
| Borrower/Issuer: | Storebrand Livsforsikring AS. |
| Security Type: | Subordinated bond issue with floating rate. |
| Initial Amount: | SEK 1 000 000 000 |
| Face Value: | SEK 1 000 000 - each and among themselves pari passu ranking. |
| Securities Form: | The Bonds are electronically registered in book-entry form with the Securities Depository. |
| Issue Date: | 21 November 2017. |
| Coupon Accrual Date: | Issue Date. |
| Interest Bearing To: | Maturity Date. |
| Maturity Date: | 21 November 2047. |
| Coupon: | 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), 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. |
| Reference Rate: | 3 months STIBOR. |
| Margin: | 2.00% p.a. until 21 November 2027, and thereafter 3.00% p.a. |
| Current Rate: | 1.368%. |
| Coupon Dates / Interest Payment Date: | 21 February, 21 May, 21 August and 21 November each year (each date a "Coupon Date"). |
| Day Count Fraction: | Actual/360. 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. |
| 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. |

| | |
|-----------------------|---|
| Call: | <p><u>Ordinary call:</u> 21 November 2022 (the "First Call Date"), and on any Coupon Date thereafter.</p> <p>Capital Disqualification, Rating Agency and Taxation call: See the Bond Agreement Clause 3.8.4.</p> |
| Call Price: | Redemption Price. |
| Redemption Price: | <p>100% of Face Value. The Face Value of the Bonds, subject to any adjustment following a reduction of amounts of principal, plus accrued and unpaid interest, including Arrears of Interest (if any).</p> |
| Deferral of Interest: | <p><i>Optional Deferral of Interest</i> 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 Coupon accrued but unpaid to that date.</p> <p><i>Mandatory Deferral of Interest</i> 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 Payment Date is a Mandatory Interest Deferral Date) defer payment of all (but not only some) of the Coupon accrued but unpaid to that date.</p> <p><i>Payment of Deferred Interest</i> (a) 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. (b) Arrears of Interest 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: <ul style="list-style-type: none"> (i) 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; (ii) the date of any redemption of the Bonds in accordance with the terms and conditions for the Bonds; (iii) the date of a Bankruptcy Event; or (iv) 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 or payment (including payment in relation to redemption or repurchase) on or in respect of the Issuer's share capital is paid. </p> <p>Interest will not accrue on Arrears of Interest.</p> <p>A Coupon Date shall not be a Mandatory Interest Deferral Date if: (a) the Issuer has remedied a Capital Requirement</p> |

Breach prior to such Coupon Date and no such Capital Requirement Breach will occur as a result of the interest payment; or

- (b) (i) the Issuer Supervisor has exceptionally waived the deferral of interest payments, (ii) such interest payment does not further weaken the solvency position of the Issuer, and (iii) the Minimum Capital Requirement is complied with after the interest payment is made.

The term "deferral of interest" shall be understood in accordance with the Applicable Regulations.

Mandatory Deferral:

No Bonds shall be redeemed on the Maturity Date, or prior to the Maturity Date pursuant to the relevant provisions on Optional Redemption, if the date set for redemption is a Mandatory Redemption Deferral Date and redemption shall be deferred ("Mandatory Deferral"). Any failure to pay principal due to a Mandatory Deferral shall not constitute a default by the Issuer for any purpose, provided that nothing shall be construed to permit the Issuer to defer any principal otherwise due and payable except under the circumstances specified in the definition of Mandatory Redemption Deferral Date.

Notwithstanding that the date set for redemption may be a Mandatory Redemption Deferral Date, the Bonds may be redeemed and the relevant redemption amount may still be paid to the extent permitted under, and in accordance with, the Applicable Regulations.

The Issuer shall notify the Bond Trustee (on behalf of the bondholders) and the Paying Agent no later than five (5) Business Days prior to any date set for redemption of the Bonds if such redemption is to be deferred, provided that if the conditions to the date set for redemption being a Mandatory Redemption Deferral Date are satisfied less than five (5) Business Days prior to the date set for redemption, the Issuer shall give notice of such deferral as soon as reasonably practicable following the occurrence of such event.

If redemption of the Bonds does not occur on the Maturity Date or, as appropriate, the date specified in the relevant Redemption Notice by the Issuer, as a result of a Mandatory Deferral the Issuer shall (subject, in the case of paragraphs (a) and (b) below only, to the provisions of subordination and to receiving the prior approval of the Issuer Supervisor (if required)), redeem such Bonds at their principal amount together with any Arrears of Interest and any other accrued and unpaid interest, upon the earliest of:

- (a) the date falling ten (10) Business Days after the first date which immediately follows the date set for redemption and which is not a Mandatory Redemption Deferral Date (unless such 10th Business Day is itself a Mandatory Redemption Deferral Date, in which case this paragraph will apply mutatis mutandis to determine the due date for redemption of the Bonds); or
- (b) the date falling ten (10) Business Days after the Issuer Supervisor has agreed to the repayment or redemption of the Bonds; or
- (c) the date of a Bankruptcy Event,

and the Issuer shall give the Redemption Notice to the Bond Trustee (on behalf of the bondholders) and the Paying Agent as soon as reasonably practicable following the occurrence of the relevant event triggering such redemption.

If the Mandatory Deferral provisions do not apply, but redemption of the Bonds does not occur on the Maturity Date or, as appropriate, the date specified in the relevant Redemption Notice by the Issuer because the Issuer was not or would not be solvent, subject to receiving the prior approval of the Issuer Supervisor (if required), such Bonds shall be redeemed at their principal amount together with any Arrears of Interest and any other accrued and unpaid interest on the 10th Business Day immediately following the day that (A) the Issuer is solvent and (B) the redemption of the Bonds would not result in the Issuer ceasing to be solvent, provided that if such Business Day specified for redemption is a Mandatory Redemption Deferral Date, then the Bonds shall not be redeemed on such date and the provisions above shall apply mutatis mutandis to determine the due date for redemption of the Bonds.

Optional Redemption (Issuer's Call Option):

The Issuer may on the First Call Date or any Coupon Date thereafter, if the Issuer provides satisfactory evidence to the Bond Trustee (on behalf of the Bondholders), 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 in a manner permitted by any Applicable Regulations and other applicable law all (but not only some) of the outstanding Bonds at the Redemption Price, without any premium or penalty.

If the Issuer and/or the Issuer Group is in a Capital Requirement Breach or repayment or redemption would lead to such Capital Requirement Breach, redemption may be made notwithstanding (i) and/or (ii) above if:

- (a) the Issuer Supervisor has exceptionally waived the suspension of repayment or redemption of that item;
- (b) the item is exchanged for or converted into another Tier 1, Tier 2 or basic own-fund item of at least the same quality; and
- (c) the Minimum Capital Requirement is complied with after the repayment or redemption.

Exercise of an Optional Redemption shall be notified in writing to the Bondholders in accordance with the Bond Agreement Clause 4.7.2 at least thirty (30) Business Days prior to the relevant redemption date (the "Redemption Notice").

If the Issuer provides satisfactory evidence to the Bond Trustee (on behalf of the Bondholders), 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, (ii) prior consent of the Issuer Supervisor, and (iii) the

provisions of the Bond Agreement Clause 3.9.3 (as applicable), redeem all (but not only some) of the outstanding Bonds at the Redemption Price, without any premium or penalty.

Exercise of the Optional Redemption shall be notified by a Redemption Notice.

STIBOR:

Stockholm Interbank Offered Rate being (i) the applicable percentage rate per annum displayed on NASDAQ Stockholm's website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the interest quotation day (Reset Date) for the offering of deposits in SEK and for a period comparable to the relevant Interest Period; (ii) if no rate is available, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Bond Trustee at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Bond Trustee, for deposits of SEK 100,000,000 for the relevant Period; or (iii) if no quotation is available pursuant to paragraph (ii), the interest rate which according to the reasonable assessment of the Bond Trustee and the Issuer best reflects the interest rate for deposits in SEK offered in the Stockholm interbank market for the relevant Interest Period.

Issue Price:

100 % of Face 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.

Business Day:

Any day when the Norwegian and the Swedish Central Bank's Settlement System is open and when Norwegian and Swedish banks can settle foreign currency transactions.

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; and
- (d) junior in right of payment to any present or future claims of (i) policyholders of the Issuer, and (ii) any

other unsubordinated creditors of the Issuer.

| | |
|--|--|
| Security: | The Bonds are unsecured. |
| Information Covenants: | See Bond Agreement clause 4.6. |
| Events of default: | The Bond Agreement does not contain any event of default provision and the Bond Trustee (on behalf of the Bondholders) may not 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 a Bankruptcy Event. |
| Purpose: | The purpose of the Bond Issue is to partially refinance the NOK 1,500,000,000 floating rate non-cumulative perpetual step-up capital contribution securities (ISIN NO0010430713), and for the Bonds to qualify as Tier 2 capital (basic own funds) of the Issuer and/or the Issuer Group for the purpose of the Applicable Regulations and as determined by the Issuer Supervisor. |
| Approvals: | The Bonds were issued in accordance with the Borrower's Board Meeting approval 07.06.2016 and the approval from the Financial Supervisory Authority of Norway dated 12.09.2016 and 03.10.2017. |
| Listing: | An application for listing will be sent Oslo Børs. |
| Bond Agreement: | <p>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.</p> <p>When bonds are subscribed/purchased, the Bondholder has accepted the Bond Agreement and is bound by the terms of the Bond Agreement.</p> <p>Information regarding bondholders' meeting and the Bondholder's right to vote are described in the Bond Agreement clause 5.</p> <p>Information regarding the role of the Bond Trustee, see Bond Agreement clause 6.</p> <p>The Bond Agreement is attached to this Securities Note.</p> |
| Documentation: | Registration Document, Supplement to the Registration Document, Securities Note and the Bond Agreement. |
| Registration Document: | The Issuers Registration Document dated 13.12.2016. |
| Supplement to the Registration Document: | The Issuers Supplement to the Registration Document dated 23.11.2017. |
| Securities Note: | This Securities Note dated 23.11.2017. |
| Prospectus: | Means the Registration Document, the Supplement to the |

Registration Document and the Securities Note together.

| | |
|---|--|
| Availability of the Documentation: | www.storebrand.no |
| Bond Trustee: | Nordic Trustee AS, P.O. Box 1470 Vika, 0116 Oslo, Norway. |
| Arrangers: | Danske Bank, Norwegian Branch, Bryggetorget 4, 0250 Oslo, Norway, and; Nordea Bank AB (publ), filial i Norge, P.O. Box 1166 Sentrum, 0107 Oslo, Norway. |
| Paying Agent: | Nordea Bank AB (publ), filial i Norge, P.O. Box 1166 Sentrum, 0107 Oslo, Norway. The Paying Agent is in charge of keeping the records in the Securities Depository. |
| Calculation Agent: | Nordic Trustee AS, P.O. Box 1470 Vika, Norway. |
| Listing Agent: | NT Service AS, P.O. Box 1470 Vika, Norway. |
| Securities Depository: | Verdipapirregisteret ("VPS"), Postboks 4, 0051 OSLO |
| Market-Making: | There is no market-making agreement entered into in connection with the Bonds. |
| 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 bonds. 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: | Prospectus fee (NFSA:) NOK 23 500,- Listing fee 2017 (Oslo Børs): NOK 9 280,- Registration fee (Oslo Børs): NOK 5 700,- Listing Agent: NOK 17 500,- |
| Transfer restrictions: | The Bonds are freely transferable and may be pledged, subject to the following: <ul style="list-style-type: none"> (i) Bondholders located in the United States will not be permitted to transfer the Bonds except (a) subject to an effective registration statement under the Securities Act, (b) to a person that the Bondholder reasonably believes is a QIB within the meaning of Rule 144A that is purchasing for its own account, or the account of another QIB, to whom notice is given that the resale, pledge or other transfer may be made in reliance on Rule 144A, (c) outside the United States in accordance with Regulation S under the Securities Act, including in a transaction on the Oslo Børs and (d) pursuant to any other exemption from registration under the Securities Act, including Rule 144 thereunder (if available). (ii) The Bonds may not, subject to applicable Canadian laws, be traded in Canada for a period of four months and a day from the date the Bonds were originally issued. (iii) Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Bondholder may be subject (due e.g. to its |

nationality, its residency, its registered address, its place(s) for doing business). Each Bondholder must ensure compliance with local laws and regulations applicable at own cost and expense.

- (iv) Notwithstanding the above, a Bondholder which has purchased the Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under the Bond Agreement.

4. Definitions

Unless otherwise defined in the Securities Note, capitalized terms used in this Securities Note shall have the meaning given to such terms in the Bond Agreement dated 13 November 2017 entered into between Storebrand Livsforsikring AS and Nordic Trustee ASA as bond trustee on behalf of the bondholders from time to time).

| | |
|-----------------------------------|---|
| Applicable Regulations: | Any legislation, rules or regulations (whether having the force of law, regulations 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 implementing the Directive 2009/138/EC of 25 November 2009 on the taking-up and pursuit of business of Insurance and Re-insurance as amended from time to time (the " Solvency II directive ") into Norwegian law, including, without limitation, any implementing measures adopted pursuant to the Solvency II directive (as amended from time to time) including, without limitation, the Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, the Norwegian Financial Undertakings Act of 10 April 2015 no. 17 (the " Financial Undertakings Act ", No: <i>Finansforetaksloven</i>), the Norwegian Solvency II regulation of 25 August 2015 no. 999 (the " Norwegian Solvency II regulation ", No: <i>Solvens II-forskriften</i>), the Norwegian Solvency II supplementary regulation of 21 December 2015 no. 1807 and the other applicable implementing measures adopted pursuant to the Solvency II directive (as amended from time to time) which are in force in Norway from time to time. |
| Arrears of Interest: | Any interest not paid on an Optional Interest Deferral Date or a Mandatory Interest Deferral Date as set forth in the Bond Agreement Clause 3.6.3. |
| Bankruptcy Event: | A decision by the Ministry of Finance that the Issuer shall become subject to public administration (<i>No: offentlig administrasjon</i>) according to the Financial Undertakings Act chapter 21, as amended from time to time. |
| Bondholder: | Holder of Bond(s) as registered in the Securities Register. |
| Bonds: | Securities issued pursuant to this Bond Agreement and which is registered in the Securities Register, each a "Bond". |
| 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 Regulations which becomes effective on or after the Issue Date, the Bonds or part of the Bonds are no longer, or the Issuer has demonstrated to the satisfaction of the Issuer Supervisory that there is a substantial risk that they will no longer be, 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 (and including, for the avoidance of doubt, any regulatory change to any applicable limitation on the amount of such capital). |
| Capital Requirement Breach: | A breach of the applicable capital requirements or solvency requirements applicable to the Issuer and the Issuer Group 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 Section 14-10 of the Financial Undertakings Act and as further detailed in Applicable Regulations. |
| 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. |
| Decisive Influence: | Means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly): (a) a majority of the voting rights in that other person; or (b) a right to elect or remove a majority of the members of the board of directors of that other person. |
| Financial Undertaking: | Entity with authorization according to the Financial Undertaking Act. |
| Issuer Group: | The Issuer and other companies (if any) being part of the Issuer's insurance group (No: <i>forsikringsgruppe</i>) as defined in Section 38 of the Norwegian Solvency II regulation and any other Applicable Regulations. |
| Issuer Supervisor: | The Financial Supervisory Authority of Norway (No: <i>Finanstilsynet</i>) 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, or (ii) any other obligations of the Issuer ranking or expressed to rank junior to the Bonds. |
| 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 a 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, the Applicable Regulations. |
| Mandatory Redemption Deferral Date: | Any date in respect of which a Capital Requirement Breach has occurred and is continuing or would occur if the payment of the relevant redemption amount otherwise due was made on such date. |
| Minimum Capital Requirement: | The minimum capital requirement for the Issuer and the Issuer Group as defined in Section 14-11 of the Financial Undertakings Act as further detailed in the Applicable Regulations. |
| 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 the Bond Agreement Clause 3.8 (<i>Optional Redemption (Issuer's Call Option)</i>) and the dates stated therein at the Redemption Price. The relevant redemption dates shall be adjusted pursuant to the Business Day Convention. |
| Parity Obligations: | Any obligations of the Issuer ranking or expressed to rank <i>pari passu</i> with the Bonds. |
| Rating Agency: | S&P Global Ratings Inc. or any other regulated credit rating agency as defined in Regulation 1060/2009 of 16 September 2009 on credit rating agencies (as amended from time to time). |
| Rating Agency Event: | If and when the Bonds are rated by a Rating Agency, 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 3.8.2. |
| Relevant Record Date: | Means the date on which a Bondholder's ownership of Bonds shall be recorded in the Securities Register as follows: <ul style="list-style-type: none"> (i) in relation to payments pursuant to the Bond Agreement, the date designated as the Relevant Record Date in accordance with the rules of the Securities Register from time to time; (ii) for the purpose of casting a vote in a Bondholders' Meeting, the date falling on the immediate preceding Business Day to the date of that Bondholders' Meeting being held, or another date as accepted by the Bond Trustee; and (iii) for the purpose of casting a vote in a Written Resolution: <ul style="list-style-type: none"> (a) the date falling three (3) Business Days after the summons have been published; or, (b) if the requisite majority in the opinion of the Bond Trustee has been reached prior to the date set out in paragraph (a) above, on the date falling on the immediate Business Day prior to the date on which the Bond Trustee declares that the Written Resolution has been passed with the requisite majority. |
| 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. |
| Solvency II: | Solvency II directive and any implementing measures adopted pursuant to the Solvency II directive (as amended from time to time), including, without limitation, the Commission Delegated Regulation (EU) 2015/35 of 10 October 2014. |
| 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 a significant 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 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 Bonds.

Storebrand Livsforsikring AS has mandated Danske Bank, Norwegian Branch and Nordea Bank AB (publ), filial i Norge as Arrangers for the issuance of the Bonds. The Arrangers has acted as advisor to Storebrand Livsforsikring AS in relation to the pricing of the Bonds.

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.

Storebrand Livsforsikring AS is rated BBB+ with a positive outlook by S&P Global Ratings (S&P).

The Bonds were, at the date of issue, rated BBB- by S&P.

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:

NT Services AS, 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: | 13 November 2017 |
| between the Issuer: | Storebrand Livsforsikring AS |
| Company No. / LEI No. | 958 995 369 / 5967007LIEEXZX9TZC13 |
| and the Bond Trustee: | Nordic Trustee AS |
| Company No. / LEI No. | 963 342 624 / 549300XAKTM2BMKIPT85 |
| on behalf of the Bondholders in: | FRN Storebrand Livsforsikring AS Callable Subordinated Bond Issue 2017/2047 |
| with ISIN: | NO 0010810237 |

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: | SEK (Swedish Krone) | |
| Issue Date: | 21 November 2017 | |
| Maturity Date: | 21 November 2047 | |
| Redemption Price: | 100% of Face Value | |
| Call: | Ordinary call: 21 November 2022 (the " First Call Date "), and on any Coupon Date thereafter. Capital Disqualification, Rating Agency and Taxation call: See Clause 3.8.4 | Call price = Redemption Price |
| Put: | NA | NA |
| Coupon Accrual Date: | Issue Date | |
| Coupon: | Reference Rate + Margin | |
| Reference Rate: | 3 months STIBOR | |
| Margin: | 2.00% p.a. until 21 November 2027, and thereafter 3.00% p.a. | |
| Coupon Dates: | 21 February, 21 May, 21 August and 21 November each year (each date a " Coupon Date ") | |

| | |
|--------------------------|---------------------------------|
| Day Count Fraction: | Actual/360 |
| Additional Return: | NA |
| Business Day Convention: | Modified Following Business Day |
| 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: | Any legislation, rules or regulations (whether having the force of law, regulations 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 implementing the Directive 2009/138/EC of 25 November 2009 on the taking-up and pursuit of business of Insurance and Re-insurance as amended from time to time (the " Solvency II directive ") into Norwegian law, including, without limitation, any implementing measures adopted pursuant to the Solvency II directive (as amended from time to time) including, without limitation, the Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, the Norwegian Financial Undertakings Act of 10 April 2015 no. 17 (the " Financial Undertakings Act ", No: <i>Finansforetaksloven</i>), the Norwegian Solvency II regulation of 25 August 2015 no. 999 (the " Norwegian Solvency II regulation ", No: <i>Solvens II-forskriften</i>), the Norwegian Solvency II supplementary regulation of 21 December 2015 no. 1807 and the other applicable implementing measures adopted pursuant to the Solvency II directive (as amended from time to time) which are in force in Norway from time to time. |
| Arrears of Interest: | Any interest not paid on an Optional Interest Deferral Date or a Mandatory Interest Deferral Date as set forth in Clause 3.6.3. |
| Attachment: | Any attachment to this Bond Agreement. |
| Bankruptcy Event: | A decision by the Ministry of Finance that the Issuer shall become subject to public administration (<i>No: offentlig administrasjon</i>) according to the Financial Undertakings Act chapter 21, 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 AS 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 and the Swedish Central Bank's Settlement System is open and when Norwegian and Swedish banks can settle foreign currency transactions. |
| 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 |

| | |
|-----------------------------------|--|
| | <p>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 Payment Date shall not be adjusted even if that day is not a Business Day (payments shall be made on the first following Business Day).</p> |
| Call: | Issuer's early redemption as set forth in Clause 3.8 (<i>Optional Redemption (Issuer's Call Option)</i>). |
| 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 Regulations which becomes effective on or after the Issue Date, the Bonds or part of the Bonds are no longer, or the Issuer has demonstrated to the satisfaction of the Issuer Supervisory that there is a substantial risk that they will no longer be, 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 (and including, for the avoidance of doubt, any regulatory change to any applicable limitation on the amount of such capital). |
| Capital Requirement Breach: | A breach of the applicable capital requirements or solvency requirements applicable to the Issuer and the Issuer Group 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 Section 14-10 of the Financial Undertakings Act and as further detailed in Applicable Regulations. |
| 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: | <p>Rate of interest applicable to the Bonds;</p> <p>(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.</p> <p>(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</p> |

NT

| | |
|------------------------|--|
| | 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 the 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 31st calendar day but the first day of the relevant coupon period is a day other than the 30th or the 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 (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. (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. |
| Decisive Influence: | Means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly): (a) a majority of the voting rights in that other person; or (b) a right to elect or remove a majority of the members of the board of directors of that other person. |
| Event of Default: | No events of default, cf. Clause 3.10 (<i>Events of Default</i>). |
| Exchange: | Exchange or other recognized marketplace for securities, on which the Issuer has, or has applied for, listing of the Bonds. If NA is specified, the terms of this Bond Agreement covering Exchange do not apply. |
| Face Value: | The face (nominal) value of each Bond. |
| Financial Undertaking: | Entity with authorization according to the Financial Undertaking Act. |
| Initial Amount: | The amount equal to the aggregate Face Value of the Bonds (minimum) issued under the first Issue. |
| ISIN: | The identification number of the Bonds (International Securities Identification Number). |
| Issue: | Any 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 Group: | The Issuer and other companies (if any) being part of the Issuer's insurance group (No: <i>forsikringsgruppe</i>) as defined in Section 38 of the Norwegian Solvency II regulation and any other Applicable Regulations. |
| Issuer's Bonds: | Bonds owned by the Issuer, any party who has Decisive Influence |

NT

| | |
|-------------------------------------|---|
| | over the Issuer, or any party over whom the Issuer has Decisive Influence. |
| Issuer Supervisor: | The Financial Supervisory Authority of Norway (No: <i>Finanstilsynet</i>) 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, or (ii) any other obligations of the Issuer ranking or expressed to rank junior to the Bonds. |
| 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). If NO is specified, no obligation for listing applies, but the Issuer may, at its own discretion, apply for listing. |
| Mandatory Deferral: | Shall have the meaning set forth in Clause 3.7.1. |
| 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 a 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, the Applicable Regulations. |
| Mandatory Redemption Deferral Date: | Any date in respect of which a Capital Requirement Breach has occurred and is continuing or would occur if the payment of the relevant redemption amount otherwise due was made on such date. |
| 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). If NA is specified, no Margin applies. |
| 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. |
| Minimum Capital Requirement: | The minimum capital requirement for the Issuer and the Issuer Group as defined in Section 14-11 of the Financial Undertakings Act as further detailed in the Applicable Regulations. |
| NA: | Not applicable. |
| 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 3.8 (<i>Optional Redemption (Issuer's Call Option)</i>) and the dates stated therein at the Redemption Price. 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 ranking or expressed to rank <i>pari passu</i> 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. |
| Put: | Bondholders' right to demand early redemption of Bonds during the period stated (the " Put Period ") and corresponding price(s) (the " Put Price "), ref. Clause 3.6 (<i>Deferral of Interest</i>) and 3.7 (<i>Mandatory Deferral</i>). If NA is specified, the provisions regarding Put do not apply. |
| Rating Agency: | S&P Global Ratings Inc. or any other regulated credit rating agency as defined in Regulation 1060/2009 of 16 September 2009 on credit rating agencies (as amended from time to time). |
| Rating Agency Event: | If and when the Bonds are rated by a Rating Agency, 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 3.8.2. |
| Redemption Price: | The Face Value of the Bonds, subject to any adjustment following a reduction of amounts of principal, plus accrued and unpaid interest, including Arrears of Interest (if any). |
| Reference Rate: | 3 months STIBOR. |
| Relevant Record Date: | Means the date on which a Bondholder's ownership of Bonds shall be recorded in the Securities Register as follows: (i) in relation to payments pursuant to the Bond Agreement, the date designated as the Relevant Record Date in accordance with the rules of the Securities Register from time to time; (ii) for the purpose of casting a vote in a Bondholders' Meeting, the date falling on the immediate preceding Business Day to the date of that Bondholders' Meeting being held, or another date as accepted by the Bond Trustee; and (iii) for the purpose of casting a vote in a Written Resolution: (a) the date falling three (3) Business Days after the summons have been published; or, (b) if the requisite majority in the opinion of the Bond Trustee has been reached prior to the date set out in paragraph (a) above, on the date falling on the immediate Business Day prior to the date on which the Bond Trustee declares that the Written Resolution has been passed with the requisite majority. |

| | |
|----------------------|--|
| 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, being Verdipapirsentralen ASA (VPS) in Norway. |
| Solvency II: | Solvency II directive and any implementing measures adopted pursuant to the Solvency II directive (as amended from time to time), including, without limitation, the Commission Delegated Regulation (EU) 2015/35 of 10 October 2014. |
| STIBOR: | Stockholm Interbank Offered Rate being (i) the applicable percentage rate per annum displayed on NASDAQ Stockholm's website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the Interest Quotation Day for the offering of deposits in SEK and for a period comparable to the relevant Interest Period; (ii) if no rate is available, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Bond Trustee at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Bond Trustee, for deposits of SEK 100,000,000 for the relevant Period; or (iii) if no quotation is available pursuant to paragraph (ii), the interest rate which according to the reasonable assessment of the Bond Trustee and the Issuer best reflects the interest rate for deposits in SEK offered in the Stockholm interbank market for the relevant Interest Period. |
| Taxation Event: | <p>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:</p> <ul style="list-style-type: none"> (i) the Issuer is, or will be, subject to a significant 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 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 Bond Issue is to partially refinance the NOK 1,500,000,000 floating rate non-cumulative perpetual step-up capital contribution securities (ISIN NO0010430713), and for the Bonds to qualify as Tier 2 capital (basic own funds) of the Issuer and/or the Issuer Group for the purpose of the Applicable Regulations 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.
- 3.2.2. 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.
- 3.2.3. 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; and
 - (d) junior in right of payment to any present or future claims of (i) policyholders of the Issuer, and (ii) any other unsubordinated creditors of the Issuer.

3.4. Security

- 3.4.1. The Bonds are unsecured.

3.5. Payments

- 3.5.1. On each Coupon Date the Issuer shall, subject to the provisions of Clause 3.6 (*Deferral Interest*), pay in arrear the accrued Coupon amount to the Bondholders.
- 3.5.2. Subject to the provisions on Issuer deferral of redemption date, satisfaction of the preconditions to redemption, purchases, variation and substitution and to receiving the prior approval of the Issuer Supervisor (if required), unless previously redeemed or purchased and cancelled, the Issuer will redeem the Bonds at their principal amount on the Maturity Date together with any Arrears of Interest (if payable) and any other accrued and unpaid interest to (but excluding) the Maturity Date.
- 3.5.3. Amounts payable to the Bondholders by the Issuer shall be made available to the Bondholders registered as such in the Securities Register at the Relevant Record Date on the date the amount is due pursuant to this Bond Agreement.

- 3.5.4. The Issuer may not apply any counterclaims in set-off against its payment obligations pursuant to the Bonds.

3.6. Deferral of Interest

3.6.1. 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 Coupon accrued but unpaid to that date.

3.6.2. 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 Payment Date is a Mandatory Interest Deferral Date) defer payment of all (but not only some) of the Coupon accrued but unpaid to that date.

3.6.3. Payment of Deferred Interest

- (a) 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.
- (b) Arrears of Interest 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:
 - (i) 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;
 - (ii) the date of any redemption of the Bonds in accordance with the terms and conditions for the Bonds;
 - (iii) the date of a Bankruptcy Event; or
 - (iv) 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.

3.6.4. Interest will not accrue on Arrears of Interest.

3.6.5. A Coupon Date shall not be a Mandatory Interest Deferral Date if:

- (a) the Issuer has remedied a Capital Requirement Breach prior to such Coupon Date and no such Capital Requirement Breach will occur as a result of the interest payment; or
- (b) (i) the Issuer Supervisor has exceptionally waived the deferral of interest payments, (ii) such interest payment does not further weaken the solvency position of the Issuer, and (iii) the Minimum Capital Requirement is complied with after the interest payment is made.

3.6.6. The term "deferral of interest" shall be understood in accordance with the Applicable Regulations.

3.7. Mandatory Deferral

- 3.7.1. No Bonds shall be redeemed on the Maturity Date, or prior to the Maturity Date pursuant to the relevant provisions on Optional Redemption, if the date set for redemption is a Mandatory Redemption Deferral Date and redemption shall be deferred ("**Mandatory Deferral**"). Any failure to pay principal due to a Mandatory Deferral shall not constitute a default by the Issuer for any purpose, provided that nothing shall be construed to permit the Issuer to defer any principal otherwise due and payable except under the circumstances specified in the definition of Mandatory Redemption Deferral Date.
- 3.7.2. Notwithstanding that the date set for redemption may be a Mandatory Redemption Deferral Date, the Bonds may be redeemed and the relevant redemption amount may still be paid to the extent permitted under, and in accordance with, the Applicable Regulations.
- 3.7.3. The Issuer shall notify the Bond Trustee (on behalf of the bondholders) and the Paying Agent no later than five (5) Business Days prior to any date set for redemption of the Bonds if such redemption is to be deferred, provided that if the conditions to the date set for redemption being a Mandatory Redemption Deferral Date are satisfied less than five (5) Business Days prior to the date set for redemption, the Issuer shall give notice of such deferral as soon as reasonably practicable following the occurrence of such event.
- 3.7.4. If redemption of the Bonds does not occur on the Maturity Date or, as appropriate, the date specified in the relevant Redemption Notice by the Issuer, as a result of a Mandatory Deferral the Issuer shall (subject, in the case of paragraphs (a) and (b) below only, to the provisions of subordination and to receiving the prior approval of the Issuer Supervisor (if required)), redeem such Bonds at their principal amount together with any Arrears of Interest and any other accrued and unpaid interest, upon the earliest of:
- (a) the date falling ten (10) Business Days after the first date which immediately follows the date set for redemption and which is not a Mandatory Redemption Deferral Date (unless such 10th Business Day is itself a Mandatory Redemption Deferral Date, in which case this paragraph will apply *mutatis mutandis* to determine the due date for redemption of the Bonds); or
 - (b) the date falling ten (10) Business Days after the Issuer Supervisor has agreed to the repayment or redemption of the Bonds; or
 - (c) the date of a Bankruptcy Event,
- and the Issuer shall give the Redemption Notice to the Bond Trustee (on behalf of the bondholders) and the Paying Agent as soon as reasonably practicable following the occurrence of the relevant event triggering such redemption.
- 3.7.5. If the Mandatory Deferral provisions do not apply, but redemption of the Bonds does not occur on the Maturity Date or, as appropriate, the date specified in the relevant Redemption Notice by the Issuer because the Issuer was not or would not be solvent, subject to receiving the prior approval of the Issuer Supervisor (if required), such Bonds shall be redeemed at their principal amount together with any Arrears of Interest and any other accrued and unpaid interest on the 10th Business Day immediately following the day that (A) the Issuer is solvent and (B) the redemption of the Bonds would not result in the Issuer ceasing to be solvent, provided that if such Business Day specified for redemption is a Mandatory Redemption Deferral Date, then the Bonds shall not be redeemed on such date and the provisions above shall apply *mutatis mutandis* to determine the due date for redemption of the Bonds.
- 3.7.6. At the same time as delivering any notice of deferral of redemption to the Bond Trustee (on behalf of the bondholders), the Issuer shall send to the Bond Trustee a certificate

signed by an authorised signatory of the Issuer confirming that the relevant date set for redemption is or is not (as applicable) a Mandatory Redemption Deferral Date. Any such certificate shall, in the absence of manifest error, be treated and accepted by the Issuer, the Bond Trustee (on behalf of the bondholders) and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Bond Trustee shall be entitled to rely on such certificate without liability to any person.

3.8. Optional Redemption (Issuer's Call Option)

- 3.8.1. The Issuer may on the First Call Date or any Coupon Date thereafter, if the Issuer provides satisfactory evidence to the Bond Trustee (on behalf of the Bondholders), 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 in a manner permitted by any Applicable Regulations and other applicable law all (but not only some) of the outstanding Bonds at the Redemption Price, without any premium or penalty.
- 3.8.2. If the Issuer and/or the Issuer Group is in a Capital Requirement Breach or repayment or redemption would lead to such Capital Requirement Breach, redemption may be made notwithstanding (i) and/or (ii) above if:
- (a) the Issuer Supervisor has exceptionally waived the suspension of repayment or redemption of that item;
 - (b) the item is exchanged for or converted into another Tier 1, Tier 2 or basic own-fund item of at least the same quality; and
 - (c) the Minimum Capital Requirement is complied with after the repayment or redemption.
- 3.8.3. Exercise of an Optional Redemption shall be notified in writing to the Bondholders in accordance with Clause 4.7.2 at least thirty (30) Business Days prior to the relevant redemption date (the "**Redemption Notice**").
- 3.8.4. If the Issuer provides satisfactory evidence to the Bond Trustee (on behalf of the Bondholders), 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, (ii) prior consent of the Issuer Supervisor, and (iii) the provisions of Clause 3.9.3 below (as applicable), redeem all (but not only some) of the outstanding Bonds at the Redemption Price, without any premium or penalty.
- 3.8.5. Exercise of the Optional Redemption shall be notified by a Redemption Notice.

3.9. Preconditions to redemption, purchase, variation or substitution

- 3.9.1. Prior to the publication of any Redemption Notice before the Maturity Date or any purchase, variation or substitution of the Bonds, provided that no Capital Requirement Breach has occurred or is continuing, the Issuer will be required to be in continued compliance with the applicable capital adequacy requirements set out in the Applicable Regulations and on the same date as publishing any Redemption Notice before the

Maturity Date or making any purchase, variation or substitution of the Bonds the Issuer shall deliver to the Bond Trustee a certificate signed by an authorised signatory of the Issuer confirming such compliance. Any such certificate shall be conclusive evidence of such compliance (it being declared that the Bond Trustee may rely absolutely on such certification without liability to any person).

- 3.9.2. Prior to the publication of any Redemption Notice or notice of variation or substitution pursuant to any Optional Redemption by the Issuer upon the occurrence of a Capital Disqualification Event, Rating Agency Event or Taxation Event, the Issuer shall deliver to the Bond Trustee (A) in the case of a redemption, variation or substitution in a Taxation Event a certificate signed by an authorised signatory stating that any or all of the requirements referred to in paragraphs (i), (ii) or (iii) in the definition of Taxation Event will apply on the next Coupon Date and cannot be avoided by the Issuer taking reasonable measures available to it, together with an opinion of independent tax counsel of recognized standing to such effect and the Bond Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above; and (B) in the case of a redemption, variation or substitution in a Capital Disqualification Event or Rating Agency Event, a certificate signed by an authorised signatory stating that a Capital Disqualification Event or Rating Agency Event (as applicable) has occurred and is continuing. Any such certificate shall be conclusive and binding on the Bondholders.
- 3.9.3. In the case of a redemption or purchase within the period of five (5) years from the Issue Date, (i) the Issuer shall deliver a statement determining that the circumstance entitling it to exercise the right of redemption or purchase was concluded or judged to have been unlikely to occur at the Issue Date; and (ii) such redemption or purchase shall be funded out of the proceeds of a new issuance of capital of at least the same quality as the Bonds (unless such requirement no longer exists under the Applicable Regulations).

3.10. Events of default

- 3.10.1. This Bond Agreement does not contain any event of default provision and the Bond Trustee (on behalf of the Bondholders) may not 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.
- 3.10.2. Bondholders may only demand prepayment in the event of a Bankruptcy Event.

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 (*The purpose of the Issue*),
- (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 does not omit to state a material fact likely to affect 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 (including the Norwegian Securities Trading Act Chapter 7), 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 five (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 the Applicable Regulations).

- 4.5.2. Any Bonds repurchased by the Issuer or its subsidiaries may at the Issuer's discretion be retained, sold or cancelled by causing such Bonds to be deleted of the records of the Securities Register.

4.6. Information covenants

- 4.6.1. The Issuer undertakes to:

- (a) without being requested to do so, inform the Bond Trustee of any 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 3.6 (*Deferral of Interest*), 3.7 (*Mandatory Deferral*), 3.8 (*Optional Redemption (Issuer's Call Option)*) and 3.9 (*Preconditions to redemption, purchase, variation or substitution*), and
- (h) without being requested to do so, inform the Bond Trustee of changes in the registration of the Bonds in the Securities Register.

- 4.6.2. A failure to comply with any covenant shall not constitute an event of default.

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.com.
- 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 Undertakings, and Norwegian governmental issuers, the annual fee will be determined according to applicable fee structure and terms and conditions presented at the Bond Trustee's web site (www.nordictrustee.com) 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

5.1. 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 upon all Bondholders 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 one tenth (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 from making 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 the Relevant Record Date. 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 (*Repeated Bondholders' Meeting*). 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.

5.5. Written Resolutions

- 5.5.1. Anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 5 (*Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference to a Bondholders' Meeting shall be construed accordingly.
- 5.5.2. The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- 5.5.3. The summons for the Written Resolution shall be sent to the Bondholders registered in the Securities Register at the time the summons is sent from the Securities Register and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- 5.5.4. The provisions set out in Clauses 5.1 (*Authority of the Bondholder' Meeting*), 5.2 (*Procedural rules for the Bondholders' Meeting*), 5.3 (*Resolutions passed at Bondholders'*

Meetings) and 5.4 (*Repeated Bondholders' Meeting*) shall apply mutatis mutandis to a Written Resolution to the extent relevant.

- 5.5.5. The Summons for a Written Resolution shall include:
- (a) instructions as to how to vote to each separate item in the summons (including instructions as to how voting can be done electronically if relevant); and
 - (b) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority (the "**Voting Period**"), such Voting Period to be at least three (3) Business Days but not more than fifteen (15) Business Days from the date of the summons, provided however that the Voting Period for a Written Resolution summoned pursuant to Clause 5.4 (*Repeated Bondholders' Meeting*) shall be at least ten (10) Business Days but not more than fifteen (15) Business Days from the date of the summons.
- 5.5.6. Only Bondholders of Voting Bonds registered with the Securities Register on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 5.3 (*Resolutions passed at Bondholders' Meetings*), will be counted in the Written Resolution.
- 5.5.7. A Written Resolution is passed when the requisite majority set out in Clause 5.1 (*Bondholders' Meeting*) has been achieved, based on the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution may also be passed if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- 5.5.8. The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being achieved.
- 5.5.9. If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the close of business on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in Clause 5.1 (*Bondholders' Meeting*).

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 is 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 submits 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 this Clause 6.1 (*The role and authority of the Bond Trustee*) 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 one fifth (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. 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.

NT

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 4.8 (*Expenses*), but may be recovered wholly or partially from the Bond Trustee if the change is due to a breach of the Bond Trustee's 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.

NT

7.2. Dispute resolution and legal venue

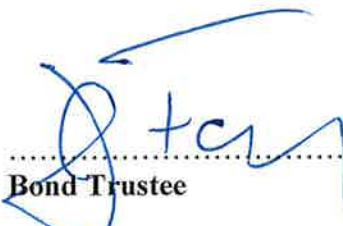
- 7.2.1. Disputes arising out of or in connection with this Bond Agreement which are not resolved amicably shall be resolved in accordance with Norwegian law in the Oslo District Court.

7.3. Amendments

- 7.3.1. The Issuer and the Bond Trustee (on behalf of the Bondholders) shall be entitled to make amendments of the terms of the Bonds which are of a formal, minor or technical nature or are made to correct a manifest error. As the Bonds are issued for solvency capital adequacy purposes as set out herein, the Bond Trustee shall furthermore be entitled (but not obliged), upon request from the Issuer and subject to approval from the Issuer Supervisor, be entitled to make amendments to the terms of Bonds to ensure that the Bonds 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 Applicable Regulations, or in any official interpretation thereof. Other amendments to the terms of the Bonds shall be subject to approval by the Bondholders' meeting (with simple or qualified majority, as the case may be) and, if and where relevant, the Issuer Supervisor's consent.
- 7.3.2. Amendments of this Bond Agreement may only be made with the approval of the parties to this Agreement, with the exception of amendments as set forth under Clause 6.1.8.

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