



Securities Note

for

**ISIN NO0010914443
FRN Protector Forsikring ASA
callable subordinated bond issue 2020/2050**

Arranger:



Oslo, 23 March 2021

Important information*

The Securities Note has been prepared in connection with listing of the securities at Oslo Børs. The Securities Note has been approved by the Norwegian FSA, as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Securities Note.

New information that is significant for the Borrower or its subsidiaries may be disclosed after the Securities Note has been made public, but prior to listing of the Loan. Such information will be published as a supplement to the Securities Note pursuant to Regulation (EU) 2017/1129. On no account must the publication or the disclosure of the Securities Note give the impression that the information herein is complete or correct on a given date after the date on the Securities Note, or that the business activities of the Borrower or its subsidiaries may not have been changed.

MiFID II product governance / Retail investors, professional investors and ECPs target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the notes has led to the conclusion that: (i) the target market for the notes is eligible counterparties, professional clients and retail clients each as defined in Directive 2014/65/EU (as amended, "MiFID II"); (ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the notes to retail clients are appropriate – investment advice, portfolio management, non-advised sales and pure execution services – subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable. Any person subsequently offering, selling or recommending the notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.

Only the Borrower and the Arranger 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 with Summary may be limited by law, for example in the United States of America or in the United Kingdom. Approval of the Securities Note with Summary by the Norwegian FSA implies that the Note may be used in any EEA country or in the United Kingdom (the "UK"). No other measures have been taken to obtain authorisation to distribute the Securities Note with Summary in any jurisdiction where such action is required. Persons that receive the Securities Note with Summary are ordered by the Borrower and the Joint Lead Managers 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 Securities Note included Summary together with the Registration Document constitutes the Prospectus.

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.

Please contact the Borrower or the Arranger to receive copies of the Securities Note.

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.

Modification and Waiver

The conditions of the Bonds 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.

Please see the Bond Terms for the Bond Trustee's power to represent the Bondholders and the duties and authority of the Bond Trustee.

*The capitalised words in the section "Important Information" are defined in Chapter 3: "Detailed information about the securities".

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1 Summary

Summaries are made up of disclosure requirements due to Article 7 in the REGULATION (EU) 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 June 2017.

A Introduction and warning

Disclosure requirement	Disclosure
Warning.	This summary should be read as introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the prospectus, or where it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.
Name and international securities identification number ('ISIN') of the securities.	ISIN NO0010914443 FRN Protector Forsikring ASA callable subordinated bond issue 2020/2050
Identity and contact details of the issuer, including its legal entity identifier ('LEI').	Protector Forsikring ASA, Aker Brygge, Støperigata 2, 0250 Oslo, Norway. The Company's telephone number is +47 24 13 17 00. Registration number 985 279 721 and LEI-code (legal entity identifier): 5967007LIEEXZXAIO813.
Identity and contact details of the offeror or of the person asking for admission to trading on a regulated market.	Not applicable. There is no offeror, the prospectus has been produced in connection with listing of the securities on the Oslo Børs. The Issuer is going to ask for admission to trading on a regulated market.
Identity and contact details of the competent authority that approved the prospectus	Financial Supervisory Authority of Norway (Finanstilsynet), Revierstredet 3, 0151 Oslo. Telephone number is +47 22 83 39 50. E-mail: prospekter@finanstilsynet.no.
Date of approval of the prospectus.	The Prospectus was approved on 23 March 2021.

B Key information on the Issuer

Disclosure requirement	Disclosure
<i>Who is the issuer of the securities</i>	
Domicile and legal form	The Company is domiciled and incorporated in Norway and registered in the Norwegian Companies Registry with registration number 985 279 721. The Company is a public limited liability company incorporated under the laws of Norway, including the Public Limited Companies Act. LEI-code: 5967007LIEEXZXAIO813.
Principal activities	Protector Forsikring ASA is a Scandinavian company listed on the Oslo Stock Exchange. Since the beginning of 2004 Protector Forsikring has had a fast and profitable growth. The Company delivers landbased insurance to commercial and public sector, and the Company distributes their products through insurance brokers. Protector operates in the non-marine insurance market. Protector has a distinct distribution strategy, whereby all distribution is conducted through intermediaries. The commercial and public sector, as well as affinity programs, are sold through insurance brokers in Norway, Sweden, Denmark, the UK and Finland.
Major shareholders	
The 20 largest shareholders as of 22 February 2021:	

As of 22.02.21		
SHAREHOLDER NAME	# SHARES	%
AWILHELMSSEN CAPITAL HOLDINGS AS	8 070 828	9,37 %
STENSHAGEN INVEST AS	7 126 353	8,27 %
VERDIPAPIRFOND ODIN NORDEN	6 747 599	7,83 %
CITIBANK EUROPE PLC	5 013 648	5,82 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	3 950 053	4,58 %
HVALER INVEST AS	3 186 809	3,70 %
CLEARSTREAM BANKING S.A.	2 324 363	2,70 %
VERDIPAPIRFONDET ALFRED BERG NORGE	1 816 182	2,11 %
ARTEL AS	1 800 000	2,09 %
PERSHING LLC	1 587 310	1,84 %
UTMOST PANEUROPE DAC - GP11940006	1 573 905	1,83 %
FROGNES AS	1 399 916	1,62 %
VERDIPAPIRFONDET NORDEA NORGE VERD	1 175 656	1,36 %
VERDIPAPIRFONDET ALFRED BERG AKTIV	1 161 943	1,35 %
AS TANJA	1 036 342	1,20 %
DYVI INVEST AS	1 000 933	1,16 %
STATE STREET BANK AND TRUST COMP	970 405	1,13 %
AVANZA BANK AB	957 010	1,11 %
JOHAN VINJE AS	937 841	1,09 %
DANSKE BANK A/S	822 287	0,95 %
20 LARGEST	52 659 383	61,12 %
TREASURY SHARES	3 869 376	4,49 %
OTHER	29 626 846	34,39 %
TOTAL SHARES	86 155 605	100,00 %

*CEO Sverre Bjerkeli

Management	<table border="1"> <thead> <tr> <th>Name</th> <th>Position</th> </tr> </thead> <tbody> <tr> <td>Sverre Bjerkeli</td> <td>CEO</td> </tr> <tr> <td>Ditlev de Vibe Vanay</td> <td>CFO</td> </tr> <tr> <td>Vibeke Krane</td> <td>Head of HR</td> </tr> <tr> <td>Hans Didring</td> <td>CM Sweden/Resp. for Finland</td> </tr> <tr> <td>Henrik Høye</td> <td>Dr. UK and Public sector</td> </tr> <tr> <td>Leonard Bijl</td> <td>IT director</td> </tr> <tr> <td>Stuart Winter</td> <td>Country Manager UK</td> </tr> <tr> <td>Anders Blom Monberg</td> <td>Country Manager Denmark</td> </tr> <tr> <td>Dag Marius Nereng</td> <td>CIO</td> </tr> </tbody> </table>	Name	Position	Sverre Bjerkeli	CEO	Ditlev de Vibe Vanay	CFO	Vibeke Krane	Head of HR	Hans Didring	CM Sweden/Resp. for Finland	Henrik Høye	Dr. UK and Public sector	Leonard Bijl	IT director	Stuart Winter	Country Manager UK	Anders Blom Monberg	Country Manager Denmark	Dag Marius Nereng	CIO
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Statutory auditors	Ernst & Young AS, independent public accountants																				
What is the key financial information regarding the issuer																					

Key financial information	
Protector Forsikring ASA	
Amount in 1.000 NOK	2020 Audited
Operating profit (technical result)	246 591
Net financial debt* (long term debt plus short term debt minus cash)	(588 695)
Net Cash flows from operating activities	(41 733)
Net Cash flows from financing activities	168 085
Net Cash flow from investing activities	(15 804)
*subordinated loan capital + financial derivatives – financial derivatives - cash	
There is no description of any qualifications in the audit report in Annual Report 2020.	
What is the key risk factors that are specific to the issuer	
Most material key risk factors	<p><i>Risks related to the Issuer and the market in which it operates</i></p> <ul style="list-style-type: none"> • <i>Underwriting risk: Future profitability depends on the quality of underwriting and risk selection in the various product lines where Protector is active.</i> • <i>Reserving risk: Current insurance provisions may be inadequate should there be future changes in factors that impact these estimates.</i> • <i>Investment and market risk: Declines in financial markets may impact earnings from the investment portfolio, introduce mismatches between assets and insurance liabilities and impact solidity/solvency margin.</i> • <i>Strategic risk: Protector has historically been competitive through low cost, a loss of this cost advantage may impact future profitability and competitive position.</i>

C Key information on the securities

Disclosure requirements	Disclosure
What are the main features of the securities	
Description of the securities, including ISIN code.	<p>ISIN code NO0010914443 FRN Protector Forsikring ASA Callable subordinated Bond Issue. Issue date: 16 December 2020. Maturity Date: 16 December 2050.</p> <p>Floating interest rate, payable 16 March, 16 June, 16 September and 16 December in each year. Any adjustment will be made according to the Business Day Convention. Coupon Rate is Reference Rate + Margin, where Reference Rate means 3 months NIBOR and Margin (3.50 per cent per annum until 16 December 2030, and thereafter 4,50 % p.a.). Current Coupon Rate: 3.93 % p.a. for the interest period ending on 16 June 2021. Borrowing Amount is NOK 500,000,000.</p> <p>The Issuer has a Call option (Optional Redemption) and Optional Redemption by the Issuer upon the occurrence of a Capital Disqualification Event, Rating Agency Event or Taxation Event.</p> <p>Dependent on the market price. Yield for the Interest Period 16 March 2021 – 16 June 2021 is 3.9879 % p.a. assuming a price of 100 %.</p> <p>Nordic Trustee AS (as the Bond Trustee) enters into the Bond Terms on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms.</p>
Description of the rights attached to the securities, limitations to those rights and ranking of the securities.	<p>First Call date is 16 December 2025 and on any Interest Payment Date thereafter.</p> <p>(a) Issuer may on the First Call Date or any Interest Payment 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</p>

	<p>other applicable law all (but not only some) of the outstanding Bonds the Nominal Amount at a price equal to at the Redemption Price, without any premium or penalty, however together with any Arrears of Interest (if payable) and any other accrued and unpaid interest to (but excluding) the Repayment Date.</p> <p>(b) 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:</p> <ul style="list-style-type: none"> (i) the Issuer Supervisor has exceptionally waived the suspension of repayment or redemption of that item; (ii) the item is exchanged for or converted into another Tier 2 or basic own-fund item of at least the same quality; and (iii) the Minimum Capital Requirement is complied with after the repayment or redemption. <p>(c) Exercise of an Optional Redemption shall be notified in writing to the Bondholders in accordance with paragraph (b) of Clause 8.3 (Notices) in the Bond Terms at least thirty (30) Business Days prior to the relevant redemption date (the "Redemption Notice").</p> <p>(d) If the Issuer provides satisfactory evidence to the Bond Trustee (on behalf of the Bondholders), that a;</p> <ul style="list-style-type: none"> (i) Capital Disqualification Event; (ii) Rating Agency Event; or (iii) Taxation Event; <p>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 paragraph (c) of Clause 3.9 (Preconditions to redemption, purchase, variation or substitution) in the Bond Terms (as applicable), redeem all (but not only some) of the outstanding Bonds at the Redemption Price, without any premium or penalty, however, together with any Arrears of Interest (if payable) and any other accrued and unpaid interest to (but excluding) the Repayment Date.</p> <p>(e) Exercise of the Optional Redemption shall be notified by a Redemption Notice.</p> <p>Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date</p> <p>Denomination: NOK 100,000 - each and ranking pari passu among themselves. Minimum subscription is NOK 2,000,000.</p>
<p>Status of the bonds and transaction security</p>	<p>The Bonds will constitute direct, unsecured and subordinated debt, and will in connection with a Bankruptcy Event of the Issuer rank:</p> <ul style="list-style-type: none"> (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 obligations of the Issuer ranking or expressed to rank senior to the Bonds. <p>The Bonds are unsecured.</p>
<p>Any restrictions on the free transferability of the securities.</p>	<p>The Bonds are freely transferable and may be pledged, subject to the following:</p> <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

	<p>registration under the Securities Act, including Rule 144 thereunder (if available).</p> <p>(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.</p> <p>(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.</p> <p>(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 Terms.</p>
<i>Where will the securities be traded</i>	
Indication as to whether the securities offered are or will be the object of an application for admission to trading.	An application for admission to trading on the Oslo Børs will be made once the Prospectus has been approved.
<i>Is there a guarantee attached to the securities?</i>	Not applicable. There is no guarantee attached to the securities.
<i>What are the key risks that are specific to the securities</i>	
Most material key risks	<ul style="list-style-type: none"> The Bonds constitute a subordinated obligation for the Issuer and rank as described in the Bond Terms. There is a risk that the Bondholders will lose their investment in the Bonds entirely or partly, if the Issuer's assets are insufficient upon insolvency or liquidation. The Issuer may, at any time and in its sole discretion, elect to defer any interest payment. As consequence there is a risk that the bondholders will not receive a periodic return on their investment. There is a risk that the value of the bond issue may decrease in spite of underlying positive development in the Group's performance and business activities.

D Key information on the admission to trading on a regulated marked

Disclosure requirements	Disclosure														
Under which conditions and timetable can I invest in this security?	<p>The Bonds was initially offered to professional, certain non-professional and eligible investors prior to the Issue date. The Bonds is freely negotiable, however certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. There is no market-making agreement entered into in connection with the Bonds.</p> <p>The estimate of total expenses related to the issue are as follow:</p> <table border="1"> <thead> <tr> <th>External party</th> <th>Cost</th> </tr> </thead> <tbody> <tr> <td>The Norwegian FSA</td> <td>NOK 70,000</td> </tr> <tr> <td>The stock exchange</td> <td>NOK 41,120</td> </tr> <tr> <td>The Bond Trustee, p.a.</td> <td>NOK 48 750</td> </tr> <tr> <td>Legal fee</td> <td>NOK 93 094</td> </tr> <tr> <td>Arranger</td> <td>NOK 1 310 000</td> </tr> <tr> <td>Total</td> <td>NOK 1 562 964</td> </tr> </tbody> </table> <p>Admission to trading on a regulated market will take place as soon as possible after the Prospectus has been approved by the Norwegian FSA.</p>	External party	Cost	The Norwegian FSA	NOK 70,000	The stock exchange	NOK 41,120	The Bond Trustee, p.a.	NOK 48 750	Legal fee	NOK 93 094	Arranger	NOK 1 310 000	Total	NOK 1 562 964
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Total	NOK 1 562 964														
Why is the prospectus being produced	In connection with listing of the securities on the Oslo Børs.														
Reasons for the admission to trading on a regulated marked and use of.	<p><i>Use of proceeds</i></p> <p>The purpose of the Bond Issue is general corporate purposes, 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.</p>														

	Estimated net amount of the proceeds is approximately: NOK 498 486 000.
Underwriting agreement	Not applicable. The prospectus has been produced in connection with listing of the securities on the Oslo Børs and not in connection with an offer
Description of material conflicts of interest to the issue including conflicting interests.	<p>The involved persons in the Issue have no interest, nor conflicting interests that are material to the Bond Issue.</p> <p>DNB Markets, a part of DNB Bank ASA, the Arranger, has assisted the Issuer in preparing the Prospectus. The Arranger and/or 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 the Prospectus and may perform or seek to perform financial advisory or banking services related to such instruments. The Arranger's corporate finance department may act as manager for the Issuer in private and/or public placement and/or resale not publicly available or commonly known.</p>

2 Risk Factors

All investments in interest bearing securities have risk associated with such investment. The risk is related to the general volatility in the market for such securities, varying liquidity in a single bond issue as well as company specific risk factors. An investment in interest bearing securities is only suitable for investors who understand the risk factors associated with this type of investments and who can afford a loss of all or part of the investment. Prospective investors should also read the detailed information set out in the Registration Document dated 23 March 2021 and reach their own views prior to making any investment decision. The risk factors set out in the Registration Document and the Securities Note cover the Issuer and the bonds issued by the Issuer, respectively.

Risk factors material to the Bonds

Risks related to the Bonds being subordinated

The Bonds constitute a subordinated obligation for the Issuer and rank as described in the Bond Terms. There is a risk that the Bondholders will lose their investment in the Bonds entirely or partly, if the Issuer's assets are insufficient upon insolvency or liquidation.

The Bondholders may lose their investment in the Bonds entirely or partly if the Issuer's assets upon insolvency or liquidation are insufficient to cover the claims of more senior-ranking creditors in full, in which case the Bondholders lose their entire investment. If the Issuer's assets are sufficient to cover the claims of more senior-ranking creditors in full, but insufficient to cover the claims of the Parity Obligations from the Bonds, the Bondholders will lose their investment in the Bond entirely or partly.

Risks related to the market value of the Bonds

There is a risk that the value of the Bonds may decrease due to changes in relevant market risk factors. The price of a single bond issue will, generally, fluctuate due to general developments in the financial market, as well as, specifically, investor interest in (and, thus, the liquidity of) the Bonds and the passenger traffic market in which the Issuer is engaged. Accordingly, there is a risk that the value of the Bonds may decrease in spite of an underlying positive development in the Issuer's business activities.

The Issuer's early redemption right may affect the value of the Bonds. The Issuer may elect to redeem the Bonds when the cost of borrowing is lower than the interest rate of the Bonds. The Issuer's ability to call the Bonds is likely to limit the market value of the Bonds as during any period when the Issuer may redeem the Bonds, the market value of the Bonds generally will not rise substantially above the price at which they can be redeemed.

Interest-rate risk

Interest rate risk is the risk that results from the variability of the NIBOR interest rate. The coupon payments, which depend on the NIBOR interest rate and the Margin, will vary in accordance with the variability of the NIBOR interest rate. The interest rate risk related to this bond issue will be limited, since the coupon rate will be adjusted quarterly according to the change in the reference interest rate (NIBOR 3 months) over the thirty-year tenor. The primary price risk for a floating rate bond issue will be related to the market view of the correct trading level for the credit spread related to the bond issue at a certain time during the tenor, compared with the credit margin the bond issue is carrying. A possible increase in the credit spread trading level relative to the coupon defined credit margin may relate to general changes in the market conditions and/or Issuer specific circumstances. However, under normal market circumstances the anticipated tradable credit spread will fall as the duration of the bond issue becomes shorter. In general, the price of bonds will fall when the credit spread in the market increases, and conversely the bond price will increase when the market spread decreases.

The regulation and reform of "benchmarks" may adversely affect the value of securities linked to or referencing such "benchmarks" - Interest rates and indices which are deemed to be "benchmarks", (including NIBOR) are subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any securities linked to or referencing such a "benchmark". The Benchmarks Regulation could have a material impact on any Bonds linked to or referencing a "benchmark", in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the "benchmark".

The Bonds are linked to NIBOR and there is a risk that any discontinuance or reforms of NIBOR may material adverse effect the pricing of the Bonds. No guarantees can be made as to the continuance of the current underlying reference rate of the Bonds and the possible consequences a potential discontinuance of NIBOR may have of the value of the Bonds.

3 Persons Responsible

3.1 Persons responsible for the information

Persons responsible for the information given in the Prospectus are:
Protector Forsikring ASA, Aker Brygge, Støperigata 2, 0250 Oslo, Norway.

3.2 Declaration by persons responsible

Responsibility statement:

Protector Forsikring ASA confirms that the information contained in the prospectus is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

Oslo (Norway), 23 March 2021



Sverre Bjerkeli
CEO

3.3 Competent Authority Approval

Protector Forsikring ASA confirms that:

- (a) this Securities Note has been approved by the Finanstilsynet, as competent authority under Regulation (EU) 2017/1129;
- (b) the Finanstilsynet only approves this Securities Notes as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129;
- (c) such approval shall not be considered as an endorsement of the quality of the securities that are the subject of this Securities Note;
- (d) investors should make their own assessment as to the suitability of investing in the securities.

4 Detailed information about the securities

ISIN code:	NO 0010914443
LEI-code:	5967007LIEEXZXAIO813
The Loan/The Reference Name/The Bonds:	"FRN Protector Forsikring ASA Callable Subordinated Bond Issue 2020/2050".
Borrower/Issuer/Company:	Protector Forsikring ASA, incorporated under the laws of Norway with business registration number 985 279 721.
Issuer Group:	The Issuer and other companies (if any) being part of the Issuer's insurance group (No: forsikringsgruppe) as defined in Section 38 of the Norwegian Solvency II regulation and any other Applicable Regulations.
Security Type:	Callable Subordinated Bond issue with floating rate.
Borrowing Amount:	NOK 500,000,000
Denomination – Each Bond:	NOK 100,000 - each and ranking pari passu among themselves
Minimum investment:	Minimum investment is NOK 2,000,000.
Securities Form:	The Bonds are electronic registered in book-entry form with the Securities Depository.
Disbursement/Settlement/ Issue Date:	16 December 2020
Interest Bearing From and Including:	Disbursement/Settlement/Issue Date.
Interest Bearing To:	Maturity Date.
Maturity Date:	16 December 2050.
Reference Rate:	NIBOR 3 months.
Margin:	3.50% p.a. until 16 December 2030, and thereafter, 4.50% p.a.
Coupon Rate:	Reference Rate + Margin, equal to 3.93 % p.a. for the interest period ending on 16 June 2021 - 92 days (subject to adjustment according to the Business Day Convention). If the Coupon Rate becomes negative, the Coupon Rate shall be deemed to be zero.
Day Count Fraction - Coupon:	Act/360 – in arrears.
Business Day Convention:	If the relevant Payment Date originally falls on a day that is not a Business Day, an adjustment of the Payment Date will be made so that the relevant Payment Date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day (Modified Following Business Day Convention).
Interest Rate Determination Date:	14 December 2020, and thereafter two Business Days prior to each Interest Payment Date.
Interest Rate Adjustment Date:	Coupon Rate determined on an Interest Rate Determination Date will be effective from and including the accompanying Interest Payment Date.
Interest Payment Date:	Each 16 March, 16 June, 16 September and 16 December in each year and the Maturity Date. Any adjustment will be made according to the Business Day Convention.
#Days first term:	90 days.

Issue Price: 100 % (par value).

Yield: Dependent on the market price. Yield for the Interest Period (16 March 2021 – 16 June 2021) is 3.9879 % p.a. assuming a price of 100.00 %.

The yield is calculated in accordance with «Anbefaling til Konvensjoner for det norske sertifikat- og obligasjonsmarkedet» prepared by Norske Finansanalytikeres Forening in January 2020:

<https://finansanalytiker.no/innlegg/januar-2020-oppdateret-konvensjon-for-det-norske-sertifikat-og-obligasjonsmarkedet>

Business Day: Any day on which the CSD settlement system is open and the relevant currency settlement system is open.

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

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

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 Interest Payment 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 Interest Payment 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 Interest Payment 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.

Interest will not accrue on Arrears of Interest.

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

Definitions: please see clause 2. Interpretation in the Bond Terms.

Mandatory Deferral: (a) 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.

- (b) 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.
- (c) 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.
- (d) 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:
 - (i) 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
 - (ii) the date falling ten (10) Business Days after the Issuer Supervisor has agreed to the repayment or redemption of the Bonds; or
 - (iii) 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.

- (e) 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.
- (f) 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.

Definitions: please see clause 2. Interpretation in the Bond Terms.

Optimal Redemption:

- (a) Issuer may on the First Call Date or any Interest Payment 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 the Nominal Amount at a price equal to at the Redemption Price, without any premium or penalty, however together with any Arrears of Interest (if payable) and any other accrued and unpaid interest to (but excluding) the Repayment Date.

- (b) 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:
- (i) the Issuer Supervisor has exceptionally waived the suspension of repayment or redemption of that item;
 - (ii) the item is exchanged for or converted into another Tier 2 or basic own-fund item of at least the same quality; and
 - (iii) the Minimum Capital Requirement is complied with after the repayment or redemption.
- (c) Exercise of an Optional Redemption shall be notified in writing to the Bondholders in accordance with paragraph (b) of Clause 8.3 (Notices) at least thirty (30) Business Days prior to the relevant redemption date (the "Redemption Notice").
- (d) If the Issuer provides satisfactory evidence to the Bond Trustee (on behalf of the Bondholders), that a;
- (i) Capital Disqualification Event;
 - (ii) Rating Agency Event; or
 - (iii) 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 paragraph (c) of Clause 3.9 (Preconditions to redemption, purchase, variation or substitution) below (as applicable), redeem all (but not only some) of the outstanding Bonds at the Redemption Price, without any premium or penalty, however, together with any Arrears of Interest (if payable) and any other accrued and unpaid interest to (but excluding) the Repayment Date.

- (e) Exercise of the Optional Redemption shall be notified by a Redemption Notice.

Definitions: please see clause 2. Interpretation in the Bond Terms.

Redemption Price (Call Option Price): 100% of the Denomination of Each Bond (the Redemption Price is subject to adjustments pursuant to Applicable Regulations).

Definitions: please see clause 2. Interpretation in the Bond Terms.

First Call Date: 16 December 2050

Amortisation: The Bonds shall be repaid in full at the Maturity Date subject to deferral as set out herein.

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 of the Loan: The Bonds will constitute direct, unsecured and subordinated debt, 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 obligations of the Issuer ranking or expressed to rank senior to the Bonds.

Transaction Security
The Bonds are unsecured.

Definitions: please see clause 2. Interpretation in the Bond Terms.

Finance Document: Means these Bond Terms, any Bond Trustee Agreement and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

Events of Default: The Bond Terms do 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 these Bond Terms neither on the basis of these Bond Terms nor on the basis of general principles of Norwegian law.

Bondholders may only demand prepayment in the event of a Bankruptcy Event.

For more details, see clause 3.10 Events of default in the Bond Terms.

Definitions: please see clause 2. Interpretation in the Bond Terms.

Listing: An application for listing on the regulated market of Oslo Børs will be made. Listing will take place as soon as possible after the prospectus has been approved by the Norwegian FSA.

Purpose/Use of proceeds: The purpose of the Bond Issue is general corporate purposes, 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.

Definitions: please see clause 2. Interpretation in the Bond Terms.

Estimated total expenses related to the Issues (first and second tranche):

External party	Cost
The Norwegian FSA	NOK 70,000
The stock exchange	NOK 41,120
The Bond Trustee, p.a.	NOK 48 750
Legal fee	NOK 93 094
The Joint Lead Managers and Listing Agent	NOK 1 310 000
Total	NOK 1 562 964

Estimated net amount of the proceeds is approximately: 498 486 000 NOK

NIBOR: Norwegian Interbank Offered Rate being

- (a) the interest rate fixed for a period comparable to the relevant Interest Period published by Global Rate Set Systems (GRSS) at approximately 12.00 (Oslo time) on the Interest Quotation Day; or
- (b) if paragraph a) above is not available for the relevant Interest Period;
 - (i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph a) above; or
 - (ii) a rate for deposits in the relevant currency for the relevant Interest Period as supplied; or
- (c) if the interest rate under paragraph a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to:
 - (i) any relevant replacement reference rate generally accepted in the market; or
 - (ii) such interest rate that best reflects the interest rate for deposits in NOK offered for the relevant Interest Period.

Please find information about NIBOR's past and the future performance and its volatility free of charges (with 24 hours delay) on: <https://most.referanserenter.no/nibor-rates.html>

Real time information about NIBOR is available from renowned market data providers due a licence agreement.

Approvals: The General Meeting approved on 2 April 2020 the Power of Attorney to the Issuer's board to issue subordinated loan.

	<p>The Bonds were issued in accordance with the Issuer's Board approval dated 29 October 2020.</p> <p>The prospectus is approved by the Norwegian FSA as competent authority under Regulation (EU) 2017/1129.</p> <p>The prospectus has also been sent to Oslo Børs ASA for review in relation to a listing application of the bonds.</p>
Bond Terms:	<p>The Bond Terms has been entered into by the Borrower and the Bond Trustee. The Bond Terms regulates the Bondholder's rights and obligations with respect to the bonds. The Bond Trustee enters into the Bond Terms on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms.</p> <p>By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by the Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party. has accepted the Bond Terms and is bound by the terms of the Bond Terms.</p> <p>The Bond Terms is attached as Appendix 1 to this Securities Note. The Bond Terms is available through the Bond Trustee, the Joint Lead Managers or from the Borrower.</p>
Bondholders' decisions:	<p>At the Bondholders' meeting each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each voting bond owned at close of business on the day prior to the date of the Bondholders' meeting in the records registered in the Securities Depository.</p> <p>In order to form a quorum, at least half (1/2) of the voting bonds must be represented at the Bondholders' meeting.</p> <p>Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph 6.1 (g) in the Bond Terms.</p> <p>Save for any amendments or waivers which can be made without resolution pursuant to Clause 8.1.2 (Procedure for amendments and waivers), paragraph (a) and (b) in the Bond Terms, a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.</p> <p>(For more details, see also Bond Terms clause 6 Bondholders' Decisions and 8. Other Provisions)</p>
Availability of the Documentation:	<p>https://www.protectorforsikring.no and www.oslobors.no</p>
Bond Trustee:	<p>Nordic Trustee AS, P.O. Box 1470 Vika, 0116 Oslo, Norway. Website: https://nordictrustee.com.</p> <p>The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.</p> <p>The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Capital Requirement Breach has occurred.</p> <p>(For more details, see also Bond Terms clause 7)</p>
Arranger:	<p>DNB Markets, a part of DNB Bank ASA, Dronning Eufemias gate 30, NO-0191 Oslo, Norway.</p>
Paying Agent:	<p>Nordea Bank Abp, Norwegian Branch, P.O. Box 1166 Sentrum, NO-0107 Oslo, Norway.</p> <p>The Paying Agent is in charge of keeping the records in the Securities Depository.</p>

Calculation Agent:	The Bond Trustee.
Securities Depository:	<p>The Securities depository in which the bonds are registered, in accordance with the Norwegian Act of 2002 no. 64 regarding Securities depository.</p> <p>On Disbursement Date the Securities Depository is the Norwegian Central Securities Depository (“VPS”), P.O. Box 4, 0051 Oslo.</p>
Restrictions on the free transferability:	<p>The Bonds are freely transferable and may be pledged, subject to the following:</p> <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 Terms.
Market-Making:	No market-making agreement has been entered into in connection with the Bond Issue.
Legislation under which the Securities have been created:	Norwegian law.
Fees and Expenses:	<p>The tax legislation of the investor’s Member State and of the issuer’s country of incorporation may have an impact on the income received from the securities</p> <p>The Borrower shall pay any stamp duty and other public fees in connection with the loan. Any public fees or taxes on sales of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise decided by law or regulation. The Borrower is responsible for withholding any withholding tax imposed by Norwegian law.</p>
Prospectus:	The Registration Document dated 23 March 2021 together with this Securities Note dated 23 March 2021 included a Summary constitutes the Prospectus.

5 Additional Information

The involved persons in the Issue have no interest, nor conflicting interests that are material to the Bond Issue.

The Issuer has mandated DNB Markets, a part of DNB Bank ASA. The Arranger has acted as advisors to the Issuer in relation to the pricing of the Loan.

The Arranger and/or any of its 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 manager or co-manager for this Borrower in private and/or public placement and/or resale not publicly available or commonly known.

Statement from the Arranger:

The Issuer has mandated DNB Markets, a part of DNB Bank ASA, the Arranger, has assisted the Borrower in preparing the prospectus. The Arranger has not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made, and the Arranger expressly disclaim any legal or financial liability as to the accuracy or completeness of the information contained in this prospectus or any other information supplied in connection with bonds issued by the Borrower or their distribution. The statements made in this paragraph are without prejudice to the responsibility of the Borrower. Each person receiving this prospectus acknowledges that such person has not relied on the Arranger nor on any person affiliated with them in connection with its investigation of the accuracy of such information or its investment decision.

Oslo, 23 March 2021

DNB Markets, a part of DNB Bank ASA
(www.dnb.no)

Listing of the Loan:

The Prospectus will be published in Norway. An application for listing at Oslo Børs will be sent as soon as possible after the Issue Date.

Appendix 1: Bond Terms

Bond Terms

Issuer:	Protector Forsikring ASA
Company No / LEI-code:	985 279 721/ 5967007LIEEXZXAIO813
With Bond Trustee:	Nordic Trustee AS
Company no / LEI-code:	963 342 624 / 549300XAKTM2BMKIPT85
On behalf of the Bondholders in:	FRN Protector Forsikring ASA callable subordinated bond issue 2020/2050
With ISIN:	NO0010914443
Dated:	10 December 2020

The Issuer undertakes to issue the Bonds in accordance with the terms set forth in these Bond Terms, which shall remain in effect for so long as any Bonds remain outstanding:

1. MAIN TERMS OF THE BONDS

Maximum Issue Amount:	NA	
Initial Bond Issue:	500,000,000	
Initial Nominal Amount:	100,000	
Currency:	NOK (Norwegian Kroner)	
Issue Date:	16 December 2020	
Maturity Date:	16 December 2050	
Redemption Price:	100 % of Nominal Amount (the Redemption Price is subject to adjustments pursuant to Applicable Regulations)	
Call:	16 December 2025 (the “ First Call Date ”), and on any Interest Payment Date thereafter. Call due to a Capital Disqualification Event, Rating Agency Event or a Taxation Event call: See paragraph (d) of Clause 3.7 (Optional Redemption).	Call price = Redemption Price
Interest Rate:	Reference Rate + Margin	
Reference Rate:	3 months NIBOR	
Margin:	3.50% p.a. until 16 December 2030, and thereafter, 4.50% p.a.	
Interest Period:	The period between 16 March, 16 June, 16 September and 16 December each year (each an “ Interest Payment Date ”), with 16 March 2021 being the first Interest Payment Date.	
Day Count Convention:	Actual/360	
Business Day Convention:	Modified Following Business Day	
Listing:	The Issuer will apply for listing of the Bonds on Oslo Børs.	
Special Conditions:	See Clause 3	

2. INTERPRETATION

In these Bond Terms, capitalised terms set out in Clause 1 (*Main terms of the Bonds*) shall have the meaning set out therein, and additionally the following capitalised terms shall have the meaning set out below:

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, Commission Delegated Regulation (EU) 2017/1542, the Norwegian Financial Institutions Act, the Norwegian Solvency II regulation of 25 August 2015 no. 999 (the " Norwegian Solvency II regulation ", No: <i>Solvens II-forskriften</i>) 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 3.5.3 (<i>Payment of Deferred Interest</i>).
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 chapter 21 of the Financial Institutions Act, as amended from time to time.
Bond Terms:	This agreement including any attachments hereto, and any subsequent amendments and additions agreed between the parties hereto.
Bond Trustee:	The company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.
Bond Trustee Agreement:	An agreement to be entered into between the Issuer and the Bond Trustee relating among other things to the fees to be paid by the Issuer to the Bond Trustee for its obligations relating to the Bonds unless otherwise agreed in these Bond Terms.
Bondholder:	A person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 5.3 (<i>Bondholders' rights</i>).
Bondholders' Meeting:	Meeting of Bondholders as set forth in Clause 6 (<i>Bondholders' decisions</i>) of these Bond Terms.
Bonds:	The debt instruments issued by the Issuer on the Issue Date pursuant to these Bond Terms and any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

Business Day:	Any day on which the CSD settlement system is open and the relevant currency settlement system is open.
Business Day Convention:	Means that: a) If Modified Following Business Day is specified (FRN), the Interest Period will be extended to include the first following Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding Business Day. b) If No Adjustment is specified (Fixed Rate), no adjustment will be made to the Interest Period.
Call:	Issuer's early redemption as set forth in Clause 3.7 (<i>Optional Redemption</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 Institutions Act and as further detailed in Applicable Regulations.
Compulsory Interest Payment Date:	Any Interest Payment 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 Interest Payment Date.
CSD:	The central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS).
Day Count Convention:	The convention for calculation of payment of interest; a) If Fixed Rate, the interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis), unless: (i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest 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 (ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.

	b) If FRN, the interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
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.
Events of Default:	No events of default, cf. Clause 3.10 (<i>Events of default</i>).
Exchange:	Shall have the meaning ascribed to such term in Clause 1 (<i>Main terms of the Bonds</i>), setting out the exchange or other recognized marketplace for securities, on which the Issuer has, or has applied for, listing of the Bonds.
Finance Documents:	Means these Bond Terms, any Bond Trustee Agreement and any other document designated by the Issuer and the Bond Trustee as a Finance Document.
Financial Institution:	Entity with authorization according to the Financial Institutions Act.
Financial Institutions Act:	Means the Norwegian act on financial institutions and financial groups of 10 April 2015 no. 17.
Fixed Rate:	Means if the Interest Rate is stated in percentage (%).
FRN:	Means if the Interest Rate is stated as Reference Rate + Margin.
Interest Period:	Means, subject to adjustment in accordance with the Business Day Convention, the periods set out in Clause 1 (<i>Main terms of the Bonds</i>), provided however that an Interest Period shall not extend beyond the Maturity Date.
Interest Rate:	Rate of interest applicable to the Bonds; a) If Fixed Rate, the Bonds shall bear interest at the percentage (%) set out in Clause 1 (<i>Main terms of the Bonds</i>). b) If FRN, the Bonds shall bear interest at a rate per annum equal to the Reference Rate + Margin as set out in Clause 1 (<i>Main terms of the Bonds</i>). If the Interest Rate becomes negative, the Interest Rate shall be deemed to be zero.
Interest Payment Date:	Means the last day of each Interest Period.
Interest Quotation Date:	Means, in relation to any period for which an Interest Rate is to be determined, the day falling two (2) Business Days before the first day of the relevant Interest Period.
Issue:	Any issue of Bonds pursuant to these Bond Terms.
Issuer:	The company designated as such in the preamble to these Bond Terms.
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.
Issuer's Bonds:	Bonds owned by the Issuer, any party who has Decisive Influence over the Issuer, or any party over whom the Issuer has Decisive Influence.
Junior Obligations:	Means (i) The Issuer's share capital, or (ii) any other obligations of the Issuer ranking or expressed to rank junior to the Bonds.
LEI-code:	Legal Entity Identifier, a unique 20-character code that identifies legal entities that engage in financial transactions.

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. 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 3.6 (<i>Mandatory Deferral</i>).
Mandatory Interest Deferral Date:	<p>Each Interest Payment Date:</p> <p>(a) immediately following the date as of which the Issuer's most recent quarterly report to the Issuer Supervisor disclosed that a Capital Requirement Breach has occurred, unless since the date of publication of such quarterly report, the Issuer has remedied the Capital Requirement Breach;</p> <p>(b) in respect of which there is a risk that a Capital Requirement Breach or a Bankruptcy Event would occur as a result of the payment of interest; or</p> <p>(c) 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 the Issuer Supervisor has waived such requirement),</p> <p>except that any such Interest Payment Date shall not be Mandatory Interest Deferral Date if:</p> <p>(i) the Issuer Supervisor has exceptionally waived the deferral of interest payments;</p> <p>(ii) such interest payment does not further weaken the solvency position of the Issuer); and</p> <p>(iii) the Minimum Capital Requirement is complied with after the interest payment is made.</p> <p>Notwithstanding that an Interest Payment Date may be a Mandatory Interest Deferral Date, interest may still be paid on that relevant Interest Payment Date to the extent permitted under, and in accordance with, the Applicable Regulations.</p>
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:	Means, if FRN, the margin of the Interest Rate. The provisions regarding Margin do not apply for Fixed Rate.
Maturity Date:	Means the date set out in Clause 1 (<i>Main terms of the Bonds</i>), adjusted according to the Business Day Convention.
Minimum Capital Requirement:	The minimum capital requirement for the Issuer and the Issuer Group as defined in Section 14-11 of the Financial Institutions Act as further detailed in the Applicable Regulations.
NA:	Means that the provision to which NA is designated is not applicable to these Bond Terms.
NIBOR:	<p>Means, for FRN, the Norwegian Interbank Offered Rate, being</p> <p>a) the interest rate fixed for a period comparable to the relevant Interest Period published by Global Rate Set Systems (GRSS) at approximately 12.00 (Oslo time) on the Interest Quotation Day; or</p> <p>b) if paragraph a) above is not available for the relevant Interest Period;</p> <p>(i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph a) above; or</p>

	<ul style="list-style-type: none"> (ii) a rate for deposits in the relevant currency for the relevant Interest Period as supplied; or c) if the interest rate under paragraph a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to: <ul style="list-style-type: none"> (i) any relevant replacement reference rate generally accepted in the market; or (ii) such interest rate that best reflects the interest rate for deposits in NOK offered for the relevant Interest Period.
Nominal Amount:	Means the nominal value of each Bond at any time, and the Initial Nominal Amount means the nominal value of each Bond on the Issue Date. The Nominal Amount may be amended pursuant to Clause 7.2 (j).
Optional Interest Deferral Date:	Any Interest Payment Date which is not a Compulsory Interest Payment Date or a Mandatory Interest Deferral Date.
Optional Redemption:	Issuer's Call pursuant to Clause 3.7 (<i>Optional Redemption</i>) and the dates stated therein at the Redemption Price. The relevant Repayment Date shall be adjusted pursuant to the Business Day Convention.
Outstanding Bonds:	Means any Bonds not redeemed or otherwise discharged.
Parity Obligations:	Any obligations of the Issuer ranking or expressed to rank <i>pari passu</i> with the Bonds.
Paying Agent:	The legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.
Payment Date:	Means any Interest Payment Date or any Repayment Date.
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 Issuer and/or 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, or after the Issuer and/or the Bonds have received a rating by a Rating Agency (the " First Rating ") 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 First Rating.
Redemption Notice:	The written notification of exercise of an Optional Redemption as set forth in paragraph (c) of Clause 3.7 (<i>Optional Redemption</i>).
Reference Rate:	NIBOR rounded to the nearest hundredth of a percentage point on each Interest Quotation Date, for the period stated.
Relevant Record Date:	Means the date on which a Bondholder's ownership of Bonds shall be recorded in the CSD as follows: <ul style="list-style-type: none"> a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; b) for the purpose of casting a vote with regard to Clause 6 (<i>Bondholders' Decisions</i>), the date falling on the immediate preceding Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Bond Trustee.

Repayment Date:	Means any date for payment of instalments, payment of any Call or the Maturity Date, or any other days of repayments of Bonds.
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.
Summons:	Means the call for a Bondholders' Meeting or a Written Resolution as the case may be.
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"> a) 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; b) 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 c) the Issuer would be required to gross up interest payments.
Voting Bonds:	Outstanding Bonds less the Issuer's Bonds.
Written Resolution:	Means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 6.5 (<i>Written Resolutions</i>).

3. SPECIAL TERMS OF THE BONDS

3.1 Use of proceeds

The purpose of the Bond Issue is general corporate purposes, 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 Status

The Bonds will constitute direct, unsecured and subordinated debt, 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 obligations of the Issuer ranking or expressed to rank senior to the Bonds.

3.3 Security

The Bonds are unsecured.

3.4 Payments in respect of the Bonds

3.4.1 Covenant to pay

- (a) On each Interest Payment Date the Issuer shall, subject to Clause 3.5 (*Deferral of Interest*), in arrears pay the accrued Interest Rate amount to the Bondholders.
- (b) 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 shall on the Maturity Date pay in respect of each Bond the Nominal Amount at a price equal to the Redemption Price together with any Arrears of Interest (if payable) and any other accrued and unpaid interest to (but excluding) the Maturity Date.
- (c) If a Payment Date falls on a day on which is not a Business Day, the payment shall be made on the first following Business Day.
- (d) The Issuer undertakes to pay to the Bond Trustee any other amount payable pursuant to the Finance Documents at its Payment Date.
- (e) The Issuer may not apply any counterclaims in set-off against its payment obligations pursuant to the Finance Documents.
- (f) Amounts payable to the Bondholders by the Issuer shall be available to the Bondholders on the date the amount is due pursuant to these Bond Terms and will be made to the Bondholders registered as such in the CSD at the Relevant Record Date for the actual payment.

3.4.2 Interest Rate calculation and fixing

- (a) The Outstanding Bonds will accrue interest at the Interest Rate on the aggregate Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period (or the Issue Date, for the first Interest Period), and ending on but excluding the last date of the Interest Period.
- (b) The Interest Rate shall be calculated based on the Day Count Convention.
- (c) If FRN, the Interest Rate shall be adjusted by the Bond Trustee on each Interest Quotation Date during the term of the Bonds. The Bondholders, the Issuer, the Paying Agent and the Exchange (to the extent applicable) shall be notified of the new Interest Rate applicable for the next Interest Period.

3.4.3 Partial payments

- (a) If a payment relevant to the Bonds is insufficient to discharge all amounts then due and payable under the Finance Documents (a “**Partial Payment**”), such Partial Payment shall, in respect of the Issuer’s debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
 - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee,
 - (ii) secondly, towards accrued interest due but unpaid; and
 - (iii) thirdly, towards any outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly towards accrued interest due but unpaid, if this is a result of a resolution according to Clause (*Bondholder’s Decision*).

3.5 Deferral of Interest

3.5.1 Optional Deferral of Interest

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

3.5.2 Mandatory Deferral of Interest

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

3.5.3 Payment of Deferred Interest

- (a) Arrears of Interest may, at the option of the Issuer, be paid in whole or in part at the next Interest Payment 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 Interest Payment 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 Interest Payment 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.

3.5.4 Interest will not accrue on Arrears of Interest.

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

3.6 Mandatory Deferral

- (a) 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.
- (b) 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.
- (c) 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.
- (d) 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:

- (i) 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
- (ii) the date falling ten (10) Business Days after the Issuer Supervisor has agreed to the repayment or redemption of the Bonds; or
- (iii) 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.

- (e) 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.
- (f) 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.

3.7 Optional Redemption

- (a) Issuer may on the First Call Date or any Interest Payment 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 the Nominal Amount at a price equal to at the Redemption Price, without any premium or penalty, however together with any Arrears of Interest (if payable) and any other accrued and unpaid interest to (but excluding) the Repayment Date.

- (b) 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:
 - (i) the Issuer Supervisor has exceptionally waived the suspension of repayment or redemption of that item;
 - (ii) the item is exchanged for or converted into another Tier 2 or basic own-fund item of at least the same quality; and
 - (iii) the Minimum Capital Requirement is complied with after the repayment or redemption.
- (c) Exercise of an Optional Redemption shall be notified in writing to the Bondholders in accordance with paragraph (b) of Clause 8.3 (*Notices*) at least thirty (30) Business Days prior to the relevant redemption date (the "**Redemption Notice**").
- (d) If the Issuer provides satisfactory evidence to the Bond Trustee (on behalf of the Bondholders), that a;
 - (i) Capital Disqualification Event;
 - (ii) Rating Agency Event; or
 - (iii) 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 paragraph (c) of Clause 3.9 (*Preconditions to redemption, purchase, variation or substitution*) below (as applicable), redeem all (but not only some) of the outstanding Bonds at the Redemption Price, without any premium or penalty, however, together with any Arrears of Interest (if payable) and any other accrued and unpaid interest to (but excluding) the Repayment Date.
- (e) Exercise of the Optional Redemption shall be notified by a Redemption Notice.

3.8 The Issuer's acquisition of Bonds

- (a) 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).
- (b) 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 CSD.

3.9 Preconditions to redemption, purchase, variation or substitution

- (a) 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).
- (b) 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 Interest Payment 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.
- (c) 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

- (a) These Bond Terms do 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 these Bond Terms neither on the basis of these Bond Terms nor on the basis of general principles of Norwegian law.
- (b) Bondholders may only demand prepayment in the event of a Bankruptcy Event.

4. GENERAL TERMS OF THE BONDS

4.1 Conditions precedent

4.1.1 Conditions precedent to the Issue Date

- (a) The Bond Trustee shall have received the following documentation, no later than two (2) Business Days prior to the Issue Date:

- (i) these Bond Terms duly signed,
 - (ii) the Issuer's corporate resolution to issue the Bonds,
 - (iii) confirmation that the relevant individuals are authorised to sign on behalf of the Issuer these Bond Terms and other relevant documents in relation hereto, (Company Certificate, Power of Authority etc.),
 - (iv) the Issuer's Articles of Association,
 - (v) confirmation that the requirements set forth in Chapter 7 of the Norwegian Securities Trading Act (prospectus requirements) are fulfilled,
 - (vi) to the extent necessary, any public authorisations required for the issue of the Bonds,
 - (vii) confirmation that the Bonds have been registered in the CSD,
 - (viii) the Bond Trustee Agreement duly signed (to the extent applicable),
 - (ix) confirmation according to Clause 4.1.2(d) (*Confirmation*) if applicable,
 - (x) approval from the Issuer Supervisor regarding issuance of Bonds in accordance with Clause 3.1 (*Use of proceeds*),
 - (xi) any other relevant documentation presented in relation to the issue of the Bonds, and
 - (xii) any statements (including legal opinions) required by the Bond Trustee regarding documentation in this Clause 4.1 (*Conditions precedent*).
- (b) The Bond Trustee may, in its reasonable opinion, waive the deadline or requirements for the documentation as set forth in this Clause 4.1 (*Conditions precedent*).
 - (c) The Issuance of the Bonds is subject to the Bond Trustee's written notice to the Issuer, the manager of the issuance of the Bonds and the Paying Agent that the documents have been controlled and that the required conditions precedent are fulfilled.

4.1.2 Representations and warranties

- (a) *General:* The Issuer makes the representations and warranties set out in this Clause 4.1.2 (*Representations and warranties*) to the Bond Trustee (on behalf of the Bondholders) at the Issue Date and with reference to the facts and circumstances then existing.
- (b) *Information:* All information which has been presented to the Bond Trustee or the Bondholders in relation to the Bonds is, to the best knowledge of the Issuer, having taken all reasonable measures to ensure the same:
 - (i) true and accurate in all material respects as at the date the relevant information is expressed to be given; and
 - (ii) does not omit any material information likely to affect the accuracy of the information as regards the evaluation of the Bonds in any material respects unless subsequently disclosed to the Bond Trustee in writing or otherwise made publicly known.
- (c) *Requirements*
 - (i) The Issuer has made a valid resolution to issue the Bonds and the provisions of the Finance Documents do not contravene any of the Issuer's other obligations.

- (ii) All public requirements have been fulfilled (i.e. pursuant to chapter 7 of the Norwegian Securities Trading Act), and any required public authorisation has been obtained.
- (d) *Confirmation:* The Bond Trustee may require a statement from the Issuer confirming the Issuer's compliance with this Clause 4.1.2 (*Representations and warranties*) at the times set out above.

4.2 Information covenants

The Issuer undertakes to:

- (a) inform the Bond Trustee of any other event which may have a material effect on the Issuer's ability to fulfil its obligations pursuant to these Bond Terms,
- (b) 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) provide a copy to the Bond Trustee of any notice to its creditors to be made according to applicable laws and regulations,
- (f) send a copy to the Bond Trustee of notices to the Exchange which have relevance to the Issuer's liabilities pursuant to these Bond Terms,
- (g) inform the Bond Trustee of changes in the registration of the Bonds in the CSD, and
- (h) inform the Bond Trustee of any events described in Clause 3.5 (*Deferral of Interest*), 3.6 (*Mandatory Deferral*), 3.7 (*Optional Redemption*) and 3.9 (*Preconditions to redemption, purchase, variation or substitution*).

4.3 Registration of Bonds

The Issuer shall continuously ensure the correct registration of the Bonds in the CSD.

4.4 Listing and prospectus

- (a) 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 these Bond Terms.
- (b) 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.
- (c) The Issuer shall ensure that these Bond Terms shall be incorporated in any prospectus and other subscription or information materials related to the Bonds.

5. THE BONDHOLDERS

5.1 Bond Terms binding on all Bondholders

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) These Bond Terms shall be publicly available from the Bond Trustee or the Issuer.
- (c) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

5.2 Limitation of rights of action

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures, or take other action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including any right to exercise any put option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

5.3 Bondholders' rights

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 5.3 (*Bondholders' rights*) and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

6. BONDHOLDERS' DECISIONS

6.1 Authority of the Bondholders' Meeting

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) A Bondholders' Meeting can only resolve that any overdue payment of any instalment will be reduced if there is a pro rata reduction of the principal that has not fallen due, however, the meeting may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal, including if any such accrued and overdue interest has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 7.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50% of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.

- (g) Save for any amendments or waivers which can be made without resolution pursuant to Clause 8.1.2 (*Procedure for amendments and waivers*), paragraph (a) and (b), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

6.2 Procedure for arranging a Bondholders' Meeting

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
 - (i) the Issuer;
 - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
 - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
 - (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within ten (10) Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the re-requesting party may itself call the Bondholders' Meeting.
- (c) Summons to a Bondholders' Meeting must be sent no later than ten (10) Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting unless this would constitute a breach by the Issuer's obligations pursuant to Clause 3.4.1 (*Covenant to pay*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in Oslo). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee (the "**Chairperson**"). If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and the Chairperson elected by the Bondholders' Meeting.
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt with regard to

whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.

- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one (1) other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

6.3 Voting rules

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one (1) vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 5.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 6 (*Bondholders' decisions*), a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 5.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 5.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

6.4 Repeated Bondholders' Meeting

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 6.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within ten (10) Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 6.1 (*Authority of the Bondholders' Meeting*), Clause 6.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 6.3 (*Voting rules*) shall apply mutatis mutandis to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out

in paragraph (e) of Clause 6.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.

- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 6.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 6.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

6.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 6.1 (*Authority of the 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 in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) 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.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 6.1 (*Authority of the Bondholders' Meeting*), 6.2 (*Procedure for arranging a Bondholder's Meeting*), Clause 6.3 (*Voting Rules*) and Clause 6.4 (*Repeated Bondholders' Meeting*) shall apply mutatis mutandis to a Written Resolution, except that:
 - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 6.2 (*Procedure for arranging Bondholders Meetings*); or
 - (ii) provisions which are otherwise in conflict with the requirements of this Clause 6.5 (*Written Resolution*),shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
 - (i) 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
 - (ii) 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**"), which shall be at least ten (10) Business Days but not more than fifteen (15) Business Days from the date of the Summons.
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 5.3 (*Bondholders' rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (f) or paragraph (g) of Clause 6.1 (*Authority of Bondholders' Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be passed if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.

- (h) 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 obtained.
- (i) 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 paragraphs (e) to (g) of Clause 6.1 (*Authority of Bondholders' Meeting*).

7. THE BOND TRUSTEE

7.1 Power to represent the Bondholders

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, requesting the commencement of bankruptcy or other insolvency proceedings or filing of any other claim against the Issuer, or others or requesting that the Issuer is taken under public administration.
- (a) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.

7.2 The duties and authority of the Bond Trustee

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Capital Requirement Breach has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Capital Requirement Breach has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee will ensure that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to

implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.

- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
 - (i) complying with instructions of the Bondholders; or
 - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 7.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Nominal Amount of the Bonds to a lower nominal value in order to facilitate partial redemptions, depreciations or restructurings of the Bonds or in other situations where such split is deemed necessary.

7.3 Equality and conflicts of interest

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

7.4 Expenses, liability and indemnity

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.
- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:

- (i) acting in accordance with advice from or opinions of reputable external experts;
or
 - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is to the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, 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 issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.
- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. For Nordic Financial Institutions, and Nordic governmental issuers, annual fee will be determined according to applicable fee structure and terms and conditions presented at the Bond Trustee's web site (www.nordictrustee.com) at the Issue Date, unless otherwise is agreed with the Bond Trustee. For other issuers a separate Bond Trustee Agreement will be entered into. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of a Capital Requirement Breach, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Capital Requirement Breach or (ii) a matter relating to the Issuer or any of the Finance Documents which the Bond Trustee reasonably believes may constitute or lead to a breach of any of the Finance Documents or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to a Capital Requirement Breach, the Issuer being insolvent or similar circumstances, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, and to set-off and cover any such costs and expenses from those funds.
- (i) As a condition to effecting any instruction from the Bondholders the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

7.5 Replacement of the Bond Trustee

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 6 (*Bondholders' Decision*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 7.5 (*Replacement of the Bond Trustee*), initiated by the retiring Bond Trustee.

- (c) If the Bond Trustee is insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 7.5 (*Replacement of the Bond Trustee*). The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.
- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

8. OTHER PROVISIONS

8.1 Amendments and waivers

8.1.1 Approval from both parties

Amendments of these Bond Terms may only be made with the approval of the parties to these Bond Terms, with the exception of amendments related to Clause 7.5 (*Replacement of the Bond Trustee*).

8.1.2 Compliance with the Applicable Regulations

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.

8.1.3 Procedure for amendments and waivers

The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:

- (a) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes; or
- (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
- (c) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 6 (*Bondholders' Decisions*).

8.1.4 Authority with respect to documentation

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

8.1.5 Notification of amendments or waivers

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 8.1 (*Amendments and waivers*), setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with Clause 8.1.3(a) (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

8.2 Expenses

- (a) The Issuer shall cover all its own expenses in connection with these Bond Terms and the fulfilment of its obligations hereunder, including the 'preparation of these Bond Terms, listing of the Bonds on the Exchange, and the registration and administration of the Bonds in the CSD.
- (b) The expenses and fees payable to the Bond Trustee shall be paid by the Issuer. For Financial Institutions, and Nordic governmental issuers, annual fee will be determined according to applicable fee structure and terms and conditions presented at the Bond Trustee's web site (www.nordictrustee.com) at the Issue Date, unless otherwise is agreed with the Bond Trustee. For other issuers a separate Bond Trustee 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.
- (c) Any public fees payable in connection with these Bond Terms and fulfilling of the obligations pursuant to these Bond Terms shall be covered by the Issuer. The Issuer is not responsible for reimbursing any public fees levied on the trading of Bonds.
- (d) The Issuer is responsible for withholding any withholding tax imposed by relevant law.

8.3 Notices

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

8.4 Contact information

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.

8.5 Governing law

These Bond Terms shall be governed by and construed in accordance with Norwegian law.

8.6 Jurisdiction

- (a) The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the Oslo district court (*Oslo Tingrett*) shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms (a “**Dispute**”). The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court and that the Issuer shall be prevented from taking proceedings relating to a Dispute in any other court of law.

- (b) Paragraph (a) above has been agreed for the benefit of the Bond Trustee and the Bondholders only. The Bond Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Bond Trustee may also take concurrent proceedings in any number of jurisdictions. Accordingly, it is agreed that the Oslo district court (*Oslo Tingrett*) has non-exclusive jurisdiction to settle any Dispute.

SIGNATURES

The Issuer

The Bond Trustee

By: 
Name: SVERRE BJERKELI

By: _____
Name:

8.6 Jurisdiction

- (a) The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the Oslo district court (*Oslo Tingrett*) shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms (a “**Dispute**”). The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court and that the Issuer shall be prevented from taking proceedings relating to a Dispute in any other court of law.

- (b) Paragraph (a) above has been agreed for the benefit of the Bond Trustee and the Bondholders only. The Bond Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Bond Trustee may also take concurrent proceedings in any number of jurisdictions. Accordingly, it is agreed that the Oslo district court (*Oslo Tingrett*) has non-exclusive jurisdiction to settle any Dispute.

SIGNATURES

The Issuer

By: _____

Name:

The Bond Trustee

By: Mark S. Brødøen

Name: