

Bond Agreement

Entered into:	5 December 2018
between the Issuer:	Insr Insurance Group ASA
Company No. / LEI	994 288 962 / 5967007LIEEXZXANAW62
and the Bond Trustee:	Nordic Trustee AS
Company No.	963 342 624
on behalf of the Bondholders in:	FRN Insr Insurance Group ASA 2018 Perpetual Restricted Tier 1 Non-Cumulative Callable Bond Issue
with ISIN:	NO 0010834880

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

1. Terms of the Issue

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

Maximum Amount:	NA	
Issue Amount:	75,000,000	
Face Value:	100,000	
Currency:	NOK (Norwegian Krone)	
Issue Price	100% of Face Value	
Issue Date:	5 December 2018	
Maturity Date:	Perpetual	
Call:	Ordinary call: 5 December 2023, (the " First Call Date "), and on any Coupon Date thereafter. Conditional call: See Clause 3.8.3	Call price = Redemption Price
Put:	NA	NA
Coupon Accrual Date:	Issue Date	
Coupon:	Reference Rate + Margin	
Reference Rate:	3 months (NIBOR)	
Margin:	3.75 percentage points p.a.	
Coupon Dates:	5 March, 5 June, 5 September and 5 December, each year (each date a " Coupon Date ").	
Day Count Fraction:	Actual/360	
Additional Return:	NA	
Business Day Convention:	Modified Following Business Day	
Listing:	YES	
Exchange:	Nordic ABM	

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2. Clarifications and definitions

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

Applicable Regulations:	Any legislation, rules or regulations (whether having the force of law, regulations or otherwise) applying to the Issuer from time to time implementing the Directive 2009/138/EC of 25 November 2009 on the taking-up and pursuit of business of Insurance and Re-insurance as amended from time to time (the " Solvency II directive ") into Norwegian law, including, without limitation, any implementing measures adopted pursuant to the Solvency II directive (as amended from time to time) including, without limitation, the Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, the Norwegian Financial Undertakings Act of 10 April 2015 no. 17 (the " Financial Undertakings Act ", No: <i>Finansforetaksloven</i>), the Norwegian Solvency II regulation of 25 August 2015 no. 999 (the " Norwegian Solvency II regulation ", No: <i>Solvens II-forskriften</i>), the Norwegian Solvency II supplementary regulation of 21 December 2015 no. 1807 and the other applicable implementing measures adopted pursuant to the Solvency II directive (as amended from time to time) which are in force in Norway from time to time.
Attachment:	Any attachment to this Bond Agreement.
Bankruptcy Event:	A decision by the Ministry of Finance that the Issuer shall become subject to public administration (No: <i>offentlig administrasjon</i>) according to the Financial Undertakings Act chapter 21, as amended from time to time.
Bond Agreement:	This agreement including any Attachments to which it refers, and any subsequent amendments and additions agreed between the parties hereto.
Bond Trustee:	Nordic Trustee AS or its successor(s).
Bondholder:	Holder of Bond(s) as registered in the Securities Depository.
Bondholders' Meeting:	Meeting of Bondholders as set forth in Section 5 of this Bond Agreement.
Bonds:	Securities issued pursuant to this Bond Agreement and which is registered in the Securities Depository, each a " Bond ".
Business Day:	Any day when the Norwegian Central Bank's Settlement System is open and when Norwegian banks can settle foreign currency transactions.
Business Day Convention:	Convention for adjusting any relevant Payment Date if it would otherwise fall on a day that is not a Business Day: (i) If Modified Following Business Day is specified, the applicable Payment Date shall be the first following Business Day unless that day falls in the next calendar month, in which case the Payment Date will be shortened to the first preceding Business Day. (ii) If No Adjustment is specified, no adjustment will be made to the Payment Date).

Call:	Issuer's early redemption as set forth in Clause 3.8 (<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 Supervisor 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).
Coupon:	Rate of interest applicable to the Bonds; (i) If the Coupon is stated in percentage points, the Bonds shall bear interest at this rate per annum (based on the Day Count Fraction set forth in Section 1), from and including the Coupon Accrual Date. (ii) If the Coupon is stated as Reference Rate + Margin the Bonds shall bear interest at a rate per annum equal to the Reference Rate + Margin (based on the Day Count Fraction set forth in Section 1), from and including the Coupon Accrual Date to the first Coupon Date, and thereafter from and including each Coupon Date to the next Coupon Date. If the Reference Rate becomes negative, the Reference Rate shall be deemed to be zero.
Coupon Accrual Date:	The date on which interest on the Bond starts to accrue. If NA is specified, Coupon Accrual Date does not apply.
Coupon Date:	Date(s) on which the payment of Coupon falls due. The Coupon Date shall be adjusted pursuant to the Business Day Convention.
Currency:	The currency in which the Bonds are denominated.
Day Count Fraction:	The convention for calculation of payment of Coupon. (i) If 30/360 is specified, the number of days in the relevant coupon period shall be calculated from and including the Coupon Accrual Date/Coupon Date to the next Coupon Date on the basis of a year of 360 days with 12 months of 30 days divided by 360, unless (a) the last day in the relevant coupon period is the 31st calendar day but the first day of the relevant coupon period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30 day month, or (b) the last day of the relevant coupon period is the last calendar day in February, in which case February shall not be considered to be lengthened to a 30-day month. (ii) If Actual/360 is specified, the actual number of days in the relevant coupon period shall be from and including the Coupon Accrual Date/Coupon Date to the next Coupon Date. The number of days shall be divided by 360.

Decisive Influence:	Means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly): (a) a majority of the voting rights in that other person; or (b) a right to elect or remove a majority of the members of the board of directors of that other person.
Discretionary Reinstatement:	A write-up of the Outstanding Principal Amount as defined in Clause 3.7.6.
Distributable Items:	Retained earnings, including profit for the year ended prior to the year of distribution, and distributable reserves as defined under national law or by the statutes of the Issuer, reduced by the deduction of any interim net loss for the current financial year from retained earnings as further determined in accordance with EIOPA's Guidelines on classification of own funds (EIOPA-BoS-14/168) and any other Applicable Regulations.
Event of Default:	No events of default, cf. Clause 3.10 (<i>Events of Default</i>).
Exchange:	Exchange or other recognized marketplace for securities, on which the Issuer has, or has applied for, listing of the Bonds. If NA is specified, the terms of this Bond Agreement covering Exchange do not apply.
Face Value:	The face (nominal) value of each Bond, (which may be adjusted in the event of a Write Down.
Financial Undertaking:	Entity with authorization according to the Financial Undertakings Act.
Issue Amount:	The amount equal to the aggregate Face Value of the Bonds (minimum) issued on the Issue Date.
ISIN:	The identification number of the Bonds (International Securities Identification Number).
Issue:	Any issue of Bonds pursuant to this Bond Agreement.
Issue Date:	The date of the first Issue. If Maximum Amount is NA the first Issue is the only Issue of Bonds.
Issuer:	The person or entity that has issued the Bonds and is the borrower (debtor).
Issuer Group:	The Issuer and other companies (if any) being part of the Issuer's insurance group (No: <i>forsikringsgruppe</i>) as defined in Section 38 of the Norwegian Solvency II regulation and any other Applicable Regulations.
Issuer's Bonds:	Bonds owned by the Issuer, any party who has Decisive Influence over the Issuer, or any party over whom the Issuer has Decisive Influence.
Issuer Supervisor:	The Financial Supervisory Authority of Norway (No.: <i>Finanstilsynet</i>) and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer or the Issuer Group.
Junior Obligations:	(i) The Issuer's share capital, or (ii) any other obligations of the Issuer ranking or expressed to rank junior to the Bonds to the extent permitted by Applicable Regulations in order for the Bonds to be classified as Restricted Tier 1 Instruments.
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(s). If NO is specified, no obligation for listing applies, but the Issuer may, at its own discretion, apply for listing.
Margin:	Margin expressed in percentage points to be added to the Reference Rate (if the Margin is negative, it shall be deducted from the Reference Rate). If NA is specified, no Margin applies.
Maturity Date:	Perpetual tenor.
Maximum Amount:	Amount stating the maximum aggregate Face Value of Bonds which may be issued pursuant to this Bond Agreement. If NA is specified, the aggregate Face Value of the Bonds issued may not exceed the amount specified as the Issue Amount.
Minimum Capital Requirement:	The minimum capital requirement for the Issuer and the Issuer Group as defined in Section 14-11 of the Financial Undertakings Act as further detailed in the Applicable Regulations.
NA:	Not applicable.
Net Profits:	At any time: (i) with respect to the Issuer, the non-consolidated net profit of the Issuer; and (ii) with respect to the Issuer Group, the consolidated net profit (excluding minority interests) of the Issuer Group, in each case determined on the basis of the audited annual accounts for the then most recent financial year for each Relevant Entity.
NIBOR:	(Norwegian Interbank Offered Rate) Interest rate fixed for a defined period on Oslo Børs' webpage at approximately 12.15 Oslo time. In the event that such page is not available, has been removed or changed such that the quoted interest rate no longer represents, in the opinion of the Bond Trustee, a correct expression of the Reference Rate, an alternative page or other electronic source which in the opinion of the Bond Trustee and the Issuer gives the same interest rate as the initial Reference Rate shall be used. If this is not possible, the Bond Trustee shall calculate the Reference Rate based on comparable quotes from major banks in Oslo.
Optional Redemption:	Issuer's Call pursuant to Clause 3.8 (<i>Optional Redemption</i>) and the dates stated therein at the Redemption Price. The relevant redemption dates shall be adjusted pursuant to the Business Day Convention.
Outstanding Bonds:	The aggregate value of the total number of Bonds not redeemed or otherwise discharged in the Securities Depository.
Outstanding Principal Amount:	Means the Issue Amount as reduced from time to time by any Write Downs or any other write-down or cancellation as the case may be, and, if applicable, as subsequently increased from time to time by any Discretionary Reinstatement in accordance with the terms of the Bonds.
Own-fund Items:	Own-fund items as defined in the Applicable Regulations.
Parity Obligations:	Any obligations of the Issuer ranking or expressed to rank <i>pari passu</i> with the Bonds.
Paying Agent:	The entity acting as registrar for the Bonds in the Securities Depository and paying agent on behalf of the Issuer in the Securities Depository.
Payment Date:	A Coupon Date or a date of payment of principal on the Bonds (whether a Maturity Date or a Call Date), as defined above under Business Day Convention.

Put:	Bondholders' right to demand early redemption of Bonds during the period stated (the " Put Period ") and corresponding price(s) (the " Put Price "). If NA is specified, the provisions regarding Put do not apply.
Rating Agency:	Standard & Poor's Rating Services, a division of the McGraw Hill Companies, Inc., Standard & Poor's Financial Services LLC, Fitch Ratings Inc., or any other regulated credit rating agency as defined in Regulation 1060/2009 of 16 September 2009 on credit rating agencies (as amended from time to time).
Rating Agency Event:	If and when the Bonds are rated by a Rating Agency, a change in the rating methodology, or in the interpretation of such methodology, as the case may be, becoming effective after the Issue Date, as a result of which the capital treatment assigned by a Rating Agency to the Bonds or part thereof, as notified by such Rating Agency to the Issuer or as published by such Rating Agency, becomes, in the reasonable opinion of the Issuer, materially unfavourable for the Issuer, when compared to the capital treatment assigned by such Rating Agency to the Bonds, as notified by such Rating Agency to the Issuer or as published by such Rating Agency, on or around the Issue Date
Redemption Price:	The Face Value of the Bonds, subject to any adjustment following a Reduction of Principal as set out in Clause 3.7.
Reference Rate:	NIBOR rounded to the nearest hundredth of a percentage point on each Reset Date, for the period stated. If NA is specified, Reference Rate does not apply.
Relevant Entity:	The Issuer or the Issuer Group, as the case may be.
Relevant Record Date:	Means the date on which a Bondholder's ownership of Bonds shall be recorded in the Securities Depository as follows: <ul style="list-style-type: none"> (a) in relation to payments pursuant to the Bond Agreement, the date designated as the Relevant Record Date in accordance with the rules of the Securities Depository from time to time; (b) for the purpose of casting a vote in a Bondholders' Meeting, the date falling on the immediate preceding Business Day to the date of that Bondholders' Meeting being held, or another date as accepted by the Bond Trustee; and (c) for the purpose of casting a vote in a Written Resolution: <ul style="list-style-type: none"> (i) the date falling three (3) Business Days after the summons have been published; or, (ii) if the requisite majority in the opinion of the Bond Trustee has been reached prior to the date set out in paragraph (i) above, on the date falling on the immediate Business Day prior to the date on which the Bond Trustee declares that the Written Resolution has been passed with the requisite majority.
Relevant Profits:	Means the lowest of the relevant Net Profits of the Issuer and the Issuer Group respectively.
Reset Date:	Dates on which the Coupon is fixed for the subsequent coupon period for Bonds where Reference Rate applies. The first Reset Date is two (2) Business Days before the Coupon Accrual Date. Thereafter the Reset Date is two (2) Business Days prior to each Coupon Date.

Restricted Tier 1 Instruments:	Own-fund Items issued by the Issuer meeting the requirements to be classified as restricted Tier 1 Capital.
Securities Depository:	The securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS) in Norway.
Solvency Capital Requirement:	The solvency capital requirement for the Issuer and the Issuer Group as defined under Section 14-10 of the Financial Undertakings Act as further detailed in Applicable Regulations.
Solvency II:	Solvency II directive and any implementing measures adopted pursuant to the Solvency II directive (as amended from time to time), including, without limitation, the Commission Delegated Regulation (EU) 2015/35 of 10 October 2014.
Taxation Event:	An event which occurs as a result of any amendment to, clarification of or change (including any announced prospective change) in the laws or treaties (or regulations thereunder) of Norway affecting taxation (including any change in the interpretation by any court or authority entitled to do so) or any governmental action, on or after the Issue Date, and there is a substantial risk that: <ul style="list-style-type: none"> (i) the Issuer is, or will be, subject to a significant amount of other taxes, duties or other governmental charges or civil liabilities with respect to the Bonds; (ii) the treatment of any of the Issuer's items of income or expense with respect to the Bonds as reflected on the tax returns (including estimated returns) filed (or to be filed) by the Issuer will not be respected by a taxing authority, which subjects the Issuer to more than a significant amount of additional taxes, duties or other governmental charges; or (iii) the Issuer would be required to gross up interest payments.
Tier 1 Capital:	Tier 1 capital as calculated by the Issuer in accordance with Section 6(3) of the Norwegian Solvency II regulation (No: <i>Kapitalgruppe I</i>), cf. Article 94(1), cf. Article 93(1)(a) and (b) of the Solvency II directive, and other Applicable Regulations.
Trigger Event:	As defined in Clause 3.7.2.
Voting Bonds:	Outstanding Bonds less Issuer's Bonds.
Voting Period:	As defined in Clause 5.5.5.
Write Down:	As defined in Clause 3.7.2.
Write Down Date:	As defined in Clause 3.7.4.
Written Resolution:	Means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 5.5 (<i>Written Resolutions</i>).

3. Other terms of the Issue

3.1. The purpose of the Issue

- 3.1.1. The purpose of the Bond Issue is that the Bonds shall qualify as (i) Restricted Tier 1 Instruments of the Issuer and/or the Issuer Group for the purpose of the Applicable Regulations and as determined by the Issuer Supervisor, and (ii) as intermediate equity content by the Rating Agency.

3.2. Listing and prospectus

- 3.2.1. In the event that the Bonds are listed on the Exchange, matters concerning the Listing requiring the approval of the Bondholders shall be resolved pursuant to the terms of this Bond Agreement.
- 3.2.2. In the event that the Bonds are listed on the Exchange, the Issuer shall submit the documents and the information necessary to maintain the listing.
- 3.2.3. The Issuer shall ensure that this Bond Agreement shall be incorporated in any prospectus and other subscription or information materials related to the Bonds.

3.3. Status

- 3.3.1. The Bonds will constitute Restricted Tier 1 Instruments of the Issuer and/or the Issuer Group under the Applicable Regulations, and constitute direct, unsecured and subordinated debt obligations of the Issuer, 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 any Junior Obligations; and
 - (d) junior in right of payment to (i.e. subordinated to) any present or future claims of (i) policyholders of the Issuer, (ii) any other unsubordinated creditors of the Issuer, and (iii) subordinated creditors of the Issuer other than the present and future claims of creditors that rank or are expressed to rank *pari passu* with or junior to the Bonds to the extent permitted by Applicable Regulations in order for the Bonds to be classified as Restricted Tier 1 Instruments.

3.4. Security

- 3.4.1. The Bonds are unsecured and are not subject to any arrangement, contractual or otherwise, that enhances the seniority of the claim under the instruments in insolvency or liquidation.

3.5. Payments

- 3.5.1. On each Coupon Date the Issuer shall, subject to the provisions of Clause 3.6 (*Cancellation of Payments*), pay in arrear the accrued Coupon amount to the Bondholders.
- 3.5.2. Amounts payable to the Bondholders by the Issuer shall be made available to the Bondholders registered as such in the Securities Depository at the Relevant Record Date on the date the amount is due pursuant to this Bond Agreement.

3.5.3. Any payment of interest in respect of the Bonds shall be payable only out of the Issuer's Distributable Items.

3.5.4. The Issuer may not apply any counterclaims in set-off against its payment obligations pursuant to this Bond Agreement.

3.6. Cancellation of Payments

3.6.1. Payment of interest may be cancelled, at any time and for an unlimited period, in whole or in part, at the option of the Issuer in its sole discretion.

3.6.2. Payment of interest will be mandatorily cancelled to the extent so required by the Applicable Regulations, including the applicable criteria for Restricted Tier 1 Instruments.

3.6.3. In the event that the Issuer and/or the Issuer Group is in non-compliance with the Solvency Capital Requirement or the payment of interest would lead to such non-compliance, interest may only be paid if all of the following conditions are met:

- (i) the Issuer's Supervisor has exceptionally waived the cancellation of such interest payment;
- (ii) the interest payment does not further weaken the solvency position of the Issuer and/or the Issuer Group; and
- (iii) the Minimum Capital Requirement is complied with after the interest payment is made.

3.6.4. Following any cancellation of interest, the right of Bondholders to receive accrued interest in respect of any such interest accrued but unpaid to that date will terminate and the Issuer will have no further obligation to pay such interest or to pay interest thereon, whether or not payments of interest in respect of interest accrued at subsequent Coupon Dates are made, and such unpaid interest will not be deemed to have accrued or be earned for any purpose.

3.6.5. Any cancellation of interest (whether pursuant to Clauses 3.6.1, 3.6.2 or 3.6.3) will not constitute an event of default nor entitle Bondholders to accelerate the Bonds or petition for insolvency or liquidation of the Issuer. Any cancellation of interest will not have any restrictions on the Issuer's activities, or on its ability to make distributions in favour of other capital instruments in its capital structure. The Issuer may use the cancelled payments without restriction to meet its obligations as they fall due.

3.6.6. The Issuer has no obligation to replace cancelled interest payments with other forms of distribution, and the Issuer has no obligation to pay interest on the Bonds even if distributions have been made in favour of other Own-fund Items.

3.6.7. Cancellation of payments pursuant to this Clause 3.6 (*Cancellation of Payments*) shall be notified in accordance with Clause 4.7 (*Notices*) as soon as possible, but no later than thirty (30) days after the Issuer has decided in its sole discretion to cancel any payments, or when any payments will mandatorily be cancelled to the extent required by the Applicable Regulations for the Issuer and/or the Issuer Group.

3.7. Reduction of Principal

- 3.7.1. The Bonds shall absorb losses once there is significant non-compliance with the Solvency Capital Requirement in accordance with the Applicable Regulations.
- 3.7.2. The Bonds shall be written-down by a reduction of the Outstanding Principal Amount under the Bonds (such reduction a "**Write Down**" and "**Written Down**" being construed accordingly) in case any of the following conditions are met for the Issuer and/or the Issuer Group (each a "**Trigger Event**"):
- (a) the amount of Own-fund Items eligible to cover the Solvency Capital Requirement is equal to or less than 75% of the Solvency Capital Requirement;
 - (b) the amount of Own-fund Items eligible to cover the Minimum Capital Requirement is equal to or less than the Minimum Capital Requirement; or
 - (c) compliance with the Solvency Capital Requirement is not re-established within a period of three months of the date when non-compliance with the Solvency Capital Requirement was first observed.
- 3.7.3. The Outstanding Principal Amount of the Bonds shall be Written Down in such a way that all of the following are reduced (a) the claim of the holder of the Bonds in the event of a Bankruptcy Event; (b) the amount required to be paid on repayment or redemption of Bonds; and (c) the interest paid on the Bonds.
- 3.7.4. Any Write Down pursuant to Clauses 3.7.2 and 3.7.3 shall be notified in accordance with Clause 4.7 (*Notices*) as soon as possible, but no later than 30 days, after the Issuer has determined (i) that a Trigger Event has occurred and (ii) any approval by the Issuer's Supervisor required by the Applicable Regulations has been obtained. The notice should state (i) that a Trigger Event has occurred, (ii) the date on which the Write Down took effect (the "**Write Down Date**") and (iii) the principal amount by which each Bond will be written down on the Write Down Date.
- 3.7.5. Any reduction of the Outstanding Principal Amount as set out herein shall be made by pro rata reduction between the Bondholders, and pro rata between the Bonds, and any reduction of the Outstanding Principal Amount shall also be reduced pro rata between all Restricted Tier 1 Instruments issued by the Issuer and all other Tier 1 Capital and all paid up equity and equity fund/retained earnings of the Issuer. A Reduction of Principal will be registered in the Securities Register, and the Bond Trustee may instruct the Securities Register to split the Face Value of the Bonds in the event of a Write Down to take place. In the event that the Bonds have been called prior to a Write Down will take place, and the Issuer's Supervisor has given its approval to repay the remaining Outstanding Principal Amount, this may be implemented by a reduction of the Call Price, or by other ways which give the same intended financial results. The Bond Trustee may instruct the Securities Register to split the Face Value of the Bonds.
- 3.7.6. Following any reduction of the Principal Amount, the Issuer may, at its discretion, increase the Outstanding Principal Amount of the Bonds (a "**Discretionary Reinstatement**") provided that such Discretionary Reinstatement:
- (a) is permitted only after the Issuer and/or the Issuer Group has achieved compliance with the Solvency Capital Requirement;
 - (b) is not activated by reference to Own-fund Items issued or increased in order to restore compliance with the Solvency Capital Requirement;

- (c) occurs only on the basis of Relevant Profits which contribute to Distributable Items made subsequent to the restoration of compliance with the Solvency Capital Requirement in a manner that does not undermine the loss absorbency intended by Article 71(5) of Commission Delegated Regulation 2015/35;
- (d) does not result in a Trigger Event;
- (e) will not result in the Outstanding Principal Amount of the Bonds being greater than the Issue Amount; and
- (f) is approved by the Issuer's Supervisor, provided that any such approval is required pursuant to the Applicable Regulations.

3.7.7. Any Discretionary Reinstatement should be made on a pro rata basis among other Restricted Tier 1 Instruments that have been subject to a write-down. The maximum amount to be attributed to the sum of Discretionary Reinstatement of Restricted Tier 1 Instruments together with the payment of interest on the reduced amounts after Write Down shall be equal to the Relevant Profit multiplied by the amount obtained by dividing the amount determined in point (i) by the amount determined in point (ii):

- (i) the sum of the nominal amount of all Restricted Tier 1 Instruments of the Issuer at the time of the Discretionary Reinstatement;
- (ii) the total Tier 1 Capital of the Issuer.

Any Discretionary Reinstatement will be made on any Coupon Date based on the Issuer's audited annual accounts for the then most recent financial year.

- 3.7.8. To the extent that only a part of the Outstanding Principal Amount has been Written Down as provided above on a pro rata basis cf. Clause 3.7.5, interest will continue to accrue in accordance with the terms hereof on the then Outstanding Principal Amount, subject to Clause 3.6 (*Cancellation of Payments*).
- 3.7.9. Any Discretionary Reinstatement pursuant to Clauses 3.7.6 and 3.7.7 shall be notified in accordance with Clause 4.7 (*Notices*) as soon as possible, but no later than 30 days, following (i) the date on which the Issuer resolves to effect such Discretionary Reinstatement of the Outstanding Principal Amount and (ii) any approval by the Issuer's Supervisor required by the Applicable Regulations has been obtained.
- 3.7.10. A Discretionary Reinstatement may occur on one or more occasions until the Outstanding Principal Amount of the Bonds has been reinstated to the Issue Amount. Any decision by the Issuer to effect or not to effect any Discretionary Reinstatement on any occasion shall not preclude it from effecting or not effecting any Discretionary Reinstatement on any other occasion.
- 3.7.11. For the avoidance of doubt, Discretionary Reinstatement shall apply to the Bonds only if, and to the extent that, the Bonds have been Written Down following the occurrence of a Trigger Event in accordance with the provisions of Clause 3.7.2 above. If at any time the Bonds are Written Down pursuant to Chapter 21 sub-chapter I of the Financial Undertakings Act, the principal amount by which the Bonds are so written down pursuant to the Financial Undertakings Act shall not be reinstated (whether by way of Discretionary Reinstatement or otherwise) in any circumstances, and references herein to a Discretionary Reinstatement up to (or not exceeding) the Issue Amount of the Bonds shall be construed as if the Issue Amount had been reduced by an amount equal to the Principal Amount of the Bonds written down under Chapter 21 sub-chapter I of the Financial Undertakings Act.

3.8. Optional Redemption

- 3.8.1. The Issuer may on the First Call Date or any Coupon Date thereafter, if the Issuer provides satisfactory evidence to the Bond Trustee (on behalf of the Bondholders), that:
- (i) in the opinion of the Issuer Supervisor no breach of the Solvency Capital Requirement has occurred or is likely to occur as a result of a redemption; and
 - (ii) the Issuer has received prior consent of the Issuer Supervisor,
- redeem in a manner permitted by any Applicable Regulations and other applicable law all (but not only some) of the outstanding Bonds at the Redemption Price.
- 3.8.2. If the Issuer and/or the Issuer Group is in non-compliance with the Solvency Capital Requirement or repayment or redemption would lead to such non-compliance, redemption may be made notwithstanding (a) and/or (b) above if:
- (a) the Issuer Supervisor has exceptionally waived the suspension of repayment or redemption of that item;
 - (b) the item is exchanged for or converted into another Tier 1 Own-fund Item of at least the same quality; and
 - (c) the Minimum Capital Requirement is complied with after the repayment or redemption.
- 3.8.3. If the Issuer provides satisfactory evidence to the Bond Trustee (on behalf of the Bondholders), that:
- (a) a Capital Disqualification Event, and/or
 - (b) a Taxation Event; and/or
 - (c) a Rating Agency Event,
- has occurred when the Bonds are outstanding, the Issuer may subject to (a) no breach of the Solvency Capital Requirement having occurred or would occur as a result of a redemption, and (b) prior consent of the Issuer Supervisor, redeem all (but not only some) of the outstanding Bonds at the Redemption Price, without premium or penalty.
- 3.8.4. In the case of redemption pursuant to Clause 3.8.3 within the period of five (5) years from the Issue Date to the extent permitted by Applicable Regulations, (a) the Issuer shall deliver a statement determining that the circumstances entitling it to exercise the right of redemption was concluded or judged to have been unlikely to occur at the Issue Date; and (b) such redemption 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 exists under the Applicable Regulations).
- 3.8.5. If the Call Date occurs before ten (10) years after the Issue Date redemption may only be made if the Issuer's and the Issuer Group's Solvency Capital Requirement is exceeded by an appropriate margin taking into account the solvency position of the Issuer including the Issuer's medium-term capital management plan.
- 3.8.6. Exercise of an Optional Redemption shall be notified in accordance with Clause 4.7.2 at least thirty (30) Business Days prior to the relevant redemption date (the "**Redemption Notice**").
- 3.8.7. Upon a Trigger Event occurring after a Redemption Notice having been disbursed, but prior to settlement of the Optional Redemption having taken place, the relevant

Redemption Notice shall be automatically revoked and the Optional Redemption terminated.

- 3.8.8. If a call is exercised, the Issuer shall on the settlement date of the call, subject to the provisions of Clause 3.8.7, pay in respect of each Bond the Face Value to the Bondholders, together with any accrued and unpaid interest.

3.9. Preconditions to redemption, purchase, variation or substitution

- 3.9.1. Prior to the publication of any Redemption Notice or any purchase, variation or substitution of the Bonds, and provided that no breach of the Solvency Capital Requirement has occurred or is continuing, the Issuer and the Issuer Group will be required to be in continued compliance with the Solvency Capital Requirement, Minimum Capital Requirement or any other applicable capital adequacy requirements set out in the Applicable Regulations and on the same date as publishing any Redemption Notice or making any purchase, variation or substitution of the Bonds, the Issuer shall deliver to the Bond Trustee a certificate signed by any two directors of the Issuer confirming such compliance. Any such certificate shall be conclusive evidence of such compliance (it being declared that the Bond Trustee may rely absolutely on such certification without liability to any person).

- 3.9.2. Prior to the publication of any Redemption Notice or notice of variation or substitution pursuant to any Optional Redemption by the Issuer upon the occurrence of a Capital Disqualification Event, Rating Agency Event or Taxation Event, the Issuer shall deliver to the Bond Trustee (a) in the case of a redemption, variation or substitution in a Taxation Event a certificate signed by two directors stating that any or all of the requirements referred to in paragraphs (i), (ii) or (iii) in the definition of Taxation Event will apply on the next Coupon Date and cannot be avoided by the Issuer taking reasonable measures available to it, together with an opinion of independent tax counsel of recognised 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 any two directors stating that a Capital Disqualification Event or Rating Agency Event (as applicable) has occurred and is continuing. Any such certificate shall be conclusive and binding on the Bondholders.

3.10. Events of default

- 3.10.1. This Bond Agreement does not contain any event of default provision and the Bond Trustee (on behalf of the Bondholders) may not declare any event of default by the Issuer of any of its obligations under the Bond Agreement neither on the basis of the Bond Agreement nor on the basis of general principles of Norwegian law.
- 3.10.2. Bondholders may only demand repayment upon a Bankruptcy Event having occurred, and in accordance with the Applicable Regulations.

4. Other terms and conditions

4.1. Conditions precedent

- 4.1.1. The Bond Trustee shall have received the following documentation, no later than two (2) Business Days prior to the Issue Date:
- (a) this Bond Agreement duly signed,
 - (b) the Issuer's corporate resolution to make the Issue,
 - (c) confirmation that the relevant individuals are authorised to sign on behalf of the Issuer this Bond Agreement and other relevant documents in relation hereto, (Company Certificate, Power of Authority etc.),
 - (d) the Issuer's Articles of Association,
 - (e) confirmation that the requirements set forth in Chapter 7 of the Norwegian Securities Trading Act (prospectus requirements) are fulfilled,
 - (f) to the extent necessary, any public authorisations required for the Issue,
 - (g) confirmation that the Bonds have been registered in the Securities Depository,
 - (h) any agreement regarding the Bond Trustee's fees and expenses as set forth in Clause 4.8.2 duly signed,
 - (i) confirmation according to Clause 4.2.2 if applicable,
 - (j) approval from the Issuer Supervisor regarding issuance of Bonds in accordance with Clause 3.1 (*The purpose of the Issue*),
 - (k) any other relevant documentation presented in relation to the Issue, and
 - (l) any statements (including legal opinions) required by the Bond Trustee regarding documentation in this Clause 4.1.1.
- 4.1.2. The Bond Trustee may, in its reasonable opinion, waive the deadline or requirements for the documentation as set forth in Clause 4.1.1.
- 4.1.3. The issuance of the Bonds is subject to the Bond Trustee's written notice to the Issuer, the manager of the Issue and the Paying Agent that the documents have been controlled and that the required conditions precedent are fulfilled.

4.2. Representations and warranties

- 4.2.1. At any Issue, the Issuer represents and warrants that:
- (a) all information which has been presented in relation to such Issue is, to the best knowledge of the Issuer, in accordance with the facts and does not omit to state a material fact likely to affect the import of the information as regards the evaluation of the Bonds, and that the Issuer has taken all reasonable measures to ensure this,
 - (b) the Issuer has made a valid resolution to make such Issue, and such Issue does not contravene any of the Issuer's other liabilities, and
 - (c) public requirements have been fulfilled (including the Norwegian Securities Trading Act Chapter 7), and that any required public authorisations have been obtained.
- 4.2.2. The Bond Trustee may prior to any Issue require a statement from the Issuer confirming the Issuer's compliance with Clause 4.2.1.

4.3. Registration of Bonds

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

4.4. Interest Rate Fixing

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

4.5. The Issuer's acquisition of Bonds

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

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

4.6. Information covenants

4.6.1. The Issuer undertakes to:

- (a) without being requested to do so, inform the Bond Trustee of any event which may have a material effect on the Issuer's ability to fulfil its obligations pursuant to this Bond Agreement,
- (b) without being requested to do so, inform the Bond Trustee if the Issuer intends to sell or dispose of all or a substantial part of its assets or operations or change the nature of its business,
- (c) upon request, provide the Bond Trustee with its annual and interim reports and any other information reasonably required by the Bond Trustee,
- (d) upon request report to the Bond Trustee the balance of Issuer's Bonds,
- (e) without being requested to do so, provide a copy to the Bond Trustee of any notice to its creditors to be made according to applicable laws and regulations,
- (f) without being requested to do so, send a copy to the Bond Trustee of notices to the Exchange which have relevance to the Issuer's liabilities pursuant to this Bond Agreement,
- (g) without being requested to do so and without any delay, inform the Bond Trustee of any events described in Clause 3.6 (*Cancellation of Payment*), 3.7 (*Reduction of Principal*), 3.8 (*Optional Redemption*) and 3.9 (*Preconditions to redemption, purchase, variation or substitution*), and
- (h) without being requested to do so, inform the Bond Trustee of changes in the registration of the Bonds in the Securities Depository.

4.6.2. Redemptions, reductions and repurchases of own funds instruments shall not be announced to holders of the instruments before the institution has obtained the prior approval of the Issuer's Supervisor.

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

4.7. Notices

4.7.1. Written notices, warnings, summons etc to the Bondholders made by the Bond Trustee shall be sent via the Securities Depository with a copy to the Issuer and the Exchange. Information to the Bondholders may also be published at the web site www.stamdata.com.

4.7.2. The Issuer's written notifications to the Bondholders shall be sent via the Bond Trustee, alternatively through the Securities Depository with a copy to the Bond Trustee and the Exchange.

4.8. Expenses

4.8.1. The Issuer shall cover all its own expenses in connection with this Bond Agreement and the fulfilment of its obligations hereunder, including the 'preparation of this Bond Agreement, listing of the Bonds on the Exchange, and the registration and administration of the Bonds in the Securities Depository.

4.8.2. The expenses and fees payable to the Bond Trustee shall be paid by the Issuer. For Financial Undertakings, and Norwegian governmental issuers, the annual fee will be determined according to the applicable fee structure and terms and conditions presented at the Bond Trustee's web site (www.nordictrustee.com) at the Issue Date, unless otherwise is agreed with the Bond Trustee. For other issuers a separate fee agreement will be entered into. Fees and expenses payable to the Bond Trustee which, due to insolvency or similar by the Issuer, are not reimbursed in any other way may be covered by making an equivalent reduction in the payments to the Bondholders.

4.8.3. Any public fees payable in connection with this Bond Agreement and fulfilling of the obligations pursuant to this Bond Agreement shall be covered by the Issuer. The Issuer is not responsible for reimbursing any public fees levied on the trading of Bonds.

4.8.4. The Issuer is responsible for withholding any withholding tax imposed by Norwegian law.

5. Bondholders' Meeting

5.1. Authority of the Bondholders' Meeting

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

5.2. Procedural rules for the Bondholders' Meeting

5.2.1. A Bondholders' Meeting shall be held at the request of:

(a) the Issuer,

- (b) Bondholders representing at least one tenth (1/10) of the Voting Bonds,
 - (c) the Bond Trustee, or
 - (d) the Exchange.
- 5.2.2. The Bondholders' Meeting shall be summoned by the Bond Trustee. A request for a Bondholders' Meeting shall be made in writing to the Bond Trustee, and shall clearly state the matters to be discussed.
- 5.2.3. If the Bond Trustee has not summoned a Bondholders' Meeting within ten (10) Business Days after having received such a request, then the requesting party may summon the Bondholders' Meeting itself.
- 5.2.4. Summons to a Bondholders Meeting shall be dispatched no later than ten (10) Business Days prior to the Bondholders' Meeting. The summons and a confirmation of each Bondholder's holdings of Bonds shall be sent to all Bondholders registered in the Securities Depository at the time of distribution. The summons shall also be sent to the Exchange for publication.
- 5.2.5. The summons shall specify the agenda of the Bondholders' Meeting. The Bond Trustee may in the summons also set forth other matters on the agenda than those requested. If amendments to this Bond Agreement have been proposed, the main content of the proposal shall be stated in the summons.
- 5.2.6. The Bond Trustee may restrict the Issuer from making any changes in the number of Voting Bonds in the period from distribution of the summons until the Bondholders' Meeting.
- 5.2.7. Matters that have not been reported to the Bondholders in accordance with the procedural rules for summoning of a Bondholders' Meeting may only be adopted with the approval of all Voting Bonds.
- 5.2.8. The Bondholders' Meeting shall be held on premises designated by the Bond Trustee. The Bondholders' Meeting shall be opened and shall, unless otherwise decided by the Bondholders' Meeting, be chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting shall be opened by a Bondholder, and be chaired by a representative elected by the Bondholders' Meeting.
- 5.2.9. Minutes of the Bondholders' Meeting shall be kept. The minutes shall state the number of Bondholders represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the result of the voting. The minutes shall be signed by the chairman and at least one other person elected by the Bondholders' Meeting. The minutes shall be deposited with the Bond Trustee and shall be available to the Bondholders.
- 5.2.10. The Bondholders, the Bond Trustee and representatives of the Exchange have the right to attend the Bondholders' Meeting. The chairman may grant access to the meeting to other parties, unless the Bondholders' Meeting decides otherwise. Bondholders may attend by a representative holding proxy. Bondholders have the right to be assisted by an advisor. In case of dispute the chairman shall decide who may attend the Bondholders' Meeting and vote for the Bonds.
- 5.2.11. Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve that the Issuer's representatives may not participate in particular matters. The Issuer has the right to be present under the voting.

5.3. Bondholders' rights

- a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Bond Agreement, 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.

5.4. Resolutions passed at Bondholders' Meetings

- 5.4.1. 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 the Relevant Record Date. Whoever opens the Bondholders' Meeting shall adjudicate any question concerning which Bonds shall count as Issuer's Bonds. Issuer's Bonds have no voting rights.
- 5.4.2. In all matters to be dealt with at the Bondholders' Meeting, the Issuer, the Bond Trustee and any Bondholder have the right to demand vote by ballot. In case of parity of votes, the chairman shall have the deciding vote, regardless of the chairman being a Bondholder or not.
- 5.4.3. In order to form a quorum, at least half (1/2) of the Voting Bonds must be represented at the meeting, see however Clause 5.5 (*Repeated Bondholders' Meeting*). Even if less than half (1/2) of the Voting Bonds are represented, the Bondholders' Meeting shall be held and voting completed.
- 5.4.4. Resolutions shall be passed by simple majority of the votes at the Bondholders' Meeting, unless otherwise set forth in Clause 5.4.5.
- 5.4.5. In the following matters, a majority of at least 2/3 of the votes is required:
 - (a) any amendment of the terms of this Bond Agreement regarding the Coupon, the tenor, Redemption Price and other terms and conditions affecting the cash flow of the Bonds,
 - (b) the transfer of rights and obligations of this Bond Agreement to another issuer (borrower), or
 - (c) change of Bond Trustee.
- 5.4.6. The Bondholders' Meeting may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- 5.4.7. The Bond Trustee shall ensure that resolutions passed at the Bondholders' Meeting are properly implemented.
- 5.4.8. For the purposes of this Clause 5 (*Bondholders' meeting*), a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 6.3 (*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 6.3 (*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.

5.4.9. The Issuer, the Bondholders and the Exchange shall be notified of resolutions passed at the Bondholders' Meeting.

5.5. Repeated Bondholders' Meeting

5.5.1. If the Bondholders' Meeting does not form a quorum pursuant to Clause 5.4.3, a repeated Bondholders' Meeting may be summoned to vote on the same matters. The attendance and the voting result of the first Bondholders' Meeting shall be specified in the summons for the repeated Bondholders' Meeting.

5.5.2. When a matter is tabled for discussion at a repeated Bondholders' Meeting, a valid resolution may be passed even though less than half (1/2) of the Voting Bonds are represented.

5.6. Written Resolutions

5.6.1. Anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 5 (*Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference to a Bondholders' Meeting shall be construed accordingly.

5.6.2. The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.

5.6.3. The summons for the Written Resolution shall be sent to the Bondholders registered in the Securities Depository at the time the summons is sent from the Securities Depository and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.

5.6.4. The provisions set out in Clauses 5.1 (*Authority of the Bondholder' Meeting*), 5.2 (*Procedural rules for the Bondholders' Meeting*), 5.3 (*Bondholders' rights*) 5.4 (*Resolutions passed at Bondholders' Meetings*) and 5.5 (*Repeated Bondholders' Meeting*) shall apply mutatis mutandis to a Written Resolution to the extent relevant.

5.6.5. The Summons for a Written Resolution shall include:

- (a) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
- (b) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority (the "**Voting Period**"), such Voting Period to be at least three (3) Business Days but not more than 15 Business Days from the date of the summons, provided however that the Voting Period for a Written Resolution summoned pursuant to Clause 5.4 (*Repeated Bondholders' Meeting*) shall be at least ten (10) Business Days but not more than 15 Business Days from the date of the summons.

- 5.6.6. Only Bondholders of Voting Bonds registered with the Securities Depository on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 5.4 (*Resolutions passed at Bondholders' Meetings*), will be counted in the Written Resolution.
- 5.6.7. A Written Resolution is passed when the requisite majority set out in Clause 5.1 (*Bondholders' Meeting*) has been achieved, based on the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution may also be passed if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- 5.6.8. The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being achieved.
- 5.6.9. If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the close of business on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in Clause 5.1 (*Bondholders' Meeting*).

6. The Bond Trustee

6.1. The role and authority of the Bond Trustee

- 6.1.1. The Bond Trustee shall monitor the compliance by the Issuer of its obligations under this Bond Agreement and applicable laws and regulations which are relevant to the terms of this Bond Agreement, including supervision of timely and correct payment of principal or interest, informing the Bondholders, the Paying Agent and the Exchange of relevant information which is obtained and received in its capacity as Bond Trustee (however this shall not restrict the Bond Trustee from discussing matters of confidentiality with the Issuer), arrange Bondholders' Meetings, and make the decisions and implement the measures resolved pursuant to this Bond Agreement. The Bond Trustee is not obligated to assess the Issuer's financial situation beyond what is directly set forth in this Bond Agreement.
- 6.1.2. The Bond Trustee may take any step necessary to ensure the rights of the Bondholders in all matters pursuant to the terms of this Bond Agreement. The Bond Trustee may postpone taking action until such matter has been put forward to the Bondholders' Meeting.
- 6.1.3. The Bond Trustee may reach decisions binding for all Bondholders concerning this Bond Agreement, including amendments to the Bond Agreement, which, in the opinion of the Bond Trustee, do not have a material adverse effect on the rights or interests of the Bondholders pursuant to this Bond Agreement, see however Clause 6.1.5.

- 6.1.4. The Bond Trustee may reach decisions binding for all Bondholders in circumstances other than those mentioned in Clause 6.1.3 provided prior notification to the Bondholders is given, see however Clause 6.1.5. Such notice shall contain a proposal of the amendment and the Bond Trustee's evaluation. Further, such notification shall state that the Bond Trustee may not reach a decision binding for all Bondholders in the event that any Bondholder submits a written protest against the proposal within a deadline set by the Bond Trustee. Such deadline may not be less than five (5) Business Days after the date of such notification.
- 6.1.5. The Bond Trustee may not reach decisions pursuant to Clauses 6.1.3 or 6.1.4 for matters set forth in Clause 5.4.5 except to rectify obvious incorrectness, vagueness or incompleteness.
- 6.1.6. The Bond Trustee may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- 6.1.7. The Issuer, the Bondholders and the Exchange shall be notified of decisions made by the Bond Trustee pursuant to this Clause 6.1 (*The role and authority of the Bond Trustee*) unless such notice obviously is unnecessary.
- 6.1.8. The Bondholders' Meeting can decide to replace the Bond Trustee without the Issuer's approval, as provided for in Clause 5.4.5.

6.2. Termination and recovery

- 6.2.1. The Bond Trustee may take any action it deems necessary in order to protect the interests of the Bondholders.
- 6.2.2. Should the Bond Trustee receive a written demand to take action as set forth in Clause 6.2.1 from Bondholders representing at least one fifth (1/5) of Voting Bonds, the Bond Trustee shall take such actions unless the Bondholders' Meeting has passed a resolution for alternative solutions,
- 6.2.3. The Bond Trustee shall be indemnified by the Bondholders for any results (including any expenses, costs and liabilities) of taking action pursuant to Clause 6.2.2. The Bond Trustee may claim indemnity and security from the Bondholders who put forward the demand in accordance with Clause 6.2.2 or voted for the adopted resolution at the Bondholders' Meeting.

6.3. Liability and indemnity

- 6.3.1. 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 this Bond Agreement, unless directly caused by its gross negligence or willful 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 this Bond Agreement.
- 6.3.2. 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.
- 6.3.3. The Bond Trustee shall not be considered to have acted negligently in:

- a) acting in accordance with advice from or opinions of reputable external experts; or
- b) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is to in interests of the Bondholders.

6.3.4. 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 Bond Agreement, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Bond Agreement, and for as long as any amounts are outstanding under or pursuant to the Bond Agreement.

6.4. Change of Bond Trustee

6.4.1. Change of Bond Trustee shall be carried out pursuant to the procedures set forth in Section 5. The Bond Trustee shall continue to carry out its duties as bond trustee until such time that a new Bond Trustee is elected.

6.4.2. The fees and expenses of a new bond trustee shall be covered by the Issuer pursuant to the terms set out in Clause 4.8 (*Expenses*), but may be recovered wholly or partially from the Bond Trustee if the change is due to a breach of the Bond Trustee's duties pursuant to the terms of this Bond Agreement or other circumstances for which the Bond Trustee is liable.

6.4.3. The Bond Trustee undertakes to co-operate so that the new bond trustee receives without undue delay following the Bondholders' Meeting the documentation and information necessary to perform the functions as set forth under the terms of this Bond Agreement.

7. General provisions

7.1. The Bondholders' community

7.1.1. Through their subscription, purchase or other transfer of Bonds, the Bondholders will be deemed to have acceded to this Bond Agreement and hereby accept that:

- (a) the Bondholders are bound by the terms of this Bond Agreement,
- (b) the Bond Trustee has power and authority to act on behalf of the Bondholders,
- (c) the Bond Trustee has, in order to administrate the terms of this Bond Agreement, access to the Securities Depository to review ownership of Bonds registered in the Securities Depository,
- (d) this Bond Agreement establishes a community between Bondholders meaning that;
 - (i) the Bonds rank *pari passu* between each other,
 - (ii) the Bondholders may not, based on this Bond Agreement, act directly towards the Issuer and may not themselves institute legal proceedings against the Issuer,
 - (iii) the Issuer may not, based on this Bond Agreement, act directly towards the Bondholders,
 - (iv) the Bondholders may not cancel the Bondholders' community, and that
 - (v) the individual Bondholder may not resign from the Bondholders' community.

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

7.2. Dispute resolution and legal venue

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

7.3. Amendments

7.3.1. The Issuer and the Bond Trustee (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, to make amendments to the terms of Bonds to ensure that the Bonds continue to qualify as Restricted Tier 1 Instruments of the Issuer for the purpose of the Applicable Regulations as set out under Purpose above, where such change is required as a result of any change in the Applicable Regulations, or in any official interpretation thereof. Other amendments to the terms of the Bonds shall be subject to approval by the Bondholders' meeting (with simple or qualified majority, as the case may be) and, if and where relevant, the Issuer Supervisor's consent.

7.3.2. Amendments of this Bond Agreement may only be made with the approval of the parties to this Agreement, with the exception of amendments as set forth under Clause 6.1.8.

7.4. Contact information

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


.....
Issuer


.....
Bond Trustee

