

# DNB Bank ASA



(incorporated in Norway)

€45,000,000,000

## Euro Medium Term Note Programme

On 6th April, 1998, Union Bank of Norway entered into a U.S.\$1,500,000,000 Euro Medium Term Note Programme, as supplemented and amended (the “**Programme**”). The Programme was subsequently converted into euro and increased to €45,000,000,000. On 12th September, 2002, Union Bank of Norway converted into a public limited company and following such conversion the obligations of Union Bank of Norway became the obligations of a new entity, Union Bank of Norway ASA, which from such date became the issuer under the Programme. On 19th January, 2004, Union Bank of Norway ASA merged with Den norske Bank ASA and, as of such date, Union Bank of Norway ASA was renamed DnB NOR Bank ASA. On 11th November, 2011, DnB NOR Bank ASA was renamed DNB Bank ASA (the “**Issuer**” or “**DNB Bank**”).

Pursuant to the Programme, the Issuer may from time to time issue notes (“**Notes**”) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below). Any Notes (as defined above) issued under the Programme on or after the date of this Base Prospectus are issued subject to the provisions herein. This does not affect any Notes issued prior to the date of this Base Prospectus.

As more fully described herein, Notes may be issued (i) on an unsubordinated basis (“**Unsubordinated Notes**”) or (ii) on a subordinated basis as provided in “Terms and Conditions of the Notes” herein (“**Subordinated Notes**”). The Terms and Conditions of Subordinated Notes will not contain any events of default.

Notes may be issued in bearer form (“**Bearer Notes**”), registered form (“**Registered Notes**”) or uncertificated book-entry form cleared through the Norwegian Central Securities Depository, the *Verdipapirsentralen* (“**VPS Notes**”) and the “**VPS**”, respectively).

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €45,000,000,000 (or its equivalent in other currencies calculated as described herein). A description of the restrictions applicable at the date of this base prospectus (the “**Base Prospectus**”) relating to the maturity of certain Notes is set out in “Overview of the Programme – Maturities”.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under “Overview of the Programme – Dealers” below and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a “**Dealer**” and together the “**Dealers**”). References in this Base Prospectus to the “**relevant Dealer**” shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

This Base Prospectus has been approved by the Central Bank of Ireland (the “**Central Bank**”) as competent authority under the Prospectus Directive (as defined below). The Central Bank only approves this Base Prospectus as meeting the requirements imposed under Irish law and the European Union (“**EU**”) law pursuant to the Prospectus Directive. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC (the “**Markets in Financial Instruments Directive**”) and/or which are to be offered to the public in any Member State of the European Economic Area (“**EEA**”). Application has been made to the Irish Stock Exchange for the Notes to be issued under the Programme (other than Exempt Notes (as defined below), VPS Notes and Swiss Domestic Notes) within the period of 12 months from the date of this Base Prospectus to be admitted to the official list (the “**Official List**”) and trading on its regulated market (the “**Main Securities Market**”). The Main Securities Market is a regulated market for the purposes of the Markets in Financial Instruments Directive. In addition, application has been made to register the Programme on the SIX Swiss Exchange Ltd (the “**SIX Swiss Exchange**”). Upon specific request, Notes issued under the Programme may be listed on the SIX Swiss Exchange. References in this Base Prospectus to Notes being “**listed**” (and all related references) shall mean that such Notes are intended to be (i) admitted to trading on the Main Securities Market and are intended to be listed on the Official List or (ii) admitted to trading on the standard for bonds of the SIX Swiss Exchange, as the case may be. The applicable pricing supplement (the “**Pricing Supplement**”) in respect of the issue of any Exempt Notes will specify whether or not such Exempt Notes will be admitted to listing or trading on any non-EEA stock exchanges and/or markets, if applicable.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under “Terms and Conditions of the Notes”) of Notes will be set forth in a Final Terms document (“**Final Terms**”) or, in the case of Exempt Notes, a Pricing Supplement. Each Final Terms, with respect to Notes to be listed on the Irish Stock Exchange, will be delivered to the Central Bank and the Irish Stock Exchange. Each Pricing Supplement, with respect to Notes to be listed on the SIX Swiss Exchange, will be delivered to the SIX Swiss Exchange.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue Notes which are not listed or admitted to trading on any market.

The requirement to publish a prospectus under the Prospectus Directive only applies to Notes which are to be admitted to trading on a regulated market in the European Economic Area and/or offered to the public in the European Economic Area other than in circumstances where an exemption is available under Article 3.2 of the Prospectus Directive (as implemented in the relevant Member State(s)). References in this Base Prospectus to “**Exempt Notes**” are to Notes (including Swiss Domestic Notes) for which no prospectus is required to be published under the Prospectus Directive. The Central Bank has neither reviewed nor approved any information in this Base Prospectus pertaining to Exempt Notes and the Central Bank assumes no responsibility in relation to issues of Exempt Notes.

The Programme has been rated A+ by Standard & Poor’s Credit Market Services Europe Limited (“**Standard & Poor’s**”), and A-1 by Moody’s Investors Service Limited (“**Moody’s**”). Each of Standard & Poor’s and Moody’s is established in the European Union and is registered under Regulation (EC) No. 1060/2009, as amended (the “**CRA Regulation**”). Notes issued pursuant to the Programme may be rated or unrated. Where a Tranche of Notes is rated, its rating will be specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement and will not necessarily be the same as the rating applicable to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Arranger  
Deutsche Bank  
Dealers

Barclays  
BofA Merrill Lynch  
Commerzbank  
DNB Bank  
Goldman Sachs International  
J.P. Morgan  
UniCredit Bank

BNP PARIBAS  
Citigroup  
Deutsche Bank  
DZ BANK AG  
HSBC  
UBS Investment Bank

The date of this Base Prospectus is 20 May, 2015.

This Base Prospectus constitutes a base prospectus in respect of all Notes other than Exempt Notes issued under the Programme for the purposes of Article 5.4 of the Prospectus Directive. "Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes and relevant implementing measure in a relevant Member State of the European Economic Area.

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms or, as the case may be, the Pricing Supplement relating to any Tranche of Notes issued under the Programme. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Copies of Final Terms relating to Notes which are admitted to the Official List and to trading on the Main Securities Market will be published on the website of the Central Bank at <http://www.centralbank.ie/regulation/securities-markets/prospectus/Pages/approvedprospectus.aspx> and the website of the Irish Stock Exchange at [www.ise.ie](http://www.ise.ie) and will be available from the registered office of the Issuer and the specified offices of the Paying Agent (as defined below) for the time being in London.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "Documents Incorporated by Reference" below). This Base Prospectus shall be read and construed on the basis that such documents are incorporated and form part of this Base Prospectus.

Certain information under "Description of the Issuer" has been extracted from publicly available sources and references to any such third-party sources of information are included herein. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Neither the Dealers nor the Trustee (as defined below) have separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers or the Trustee as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by the Issuer in connection with the Programme or the Notes or their distribution. The statements made in this paragraph are made without prejudice to the responsibility of the Issuer under the Programme.

No person is or has been authorised by the Issuer, the Dealers or the Trustee to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Trustee.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or as constituting an invitation or offer by the Issuer, any of the Dealers or the Trustee that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer by or on behalf of the Issuer, any of the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

The delivery of this Base Prospectus does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, *inter alia*, the documents deemed to be incorporated herein by reference when deciding whether or not to purchase any Notes.

The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. None of the Issuer, the Dealers and the Trustee represents that this document may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Dealers or the Trustee which is intended to permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Base Prospectus or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the European Economic Area, the United Kingdom, Norway and Japan (see "Subscription and Sale" below).

The Bearer Notes of each Tranche (other than Swiss Domestic Notes) will initially be represented by a temporary global Note in bearer form (a "Temporary Bearer Global Note") which will (i) if the global Notes are intended to be issued in new global note ("NGN") form, as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the "Common Safekeeper") for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg"); and (ii) if the global Notes are not intended to be issued in NGN form, be delivered on or prior to the original issue date of the Tranche to a common depository (the "Common Depository") for Euroclear and Clearstream, Luxembourg. A Temporary Bearer Global Note will be exchangeable, as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, for either a permanent global Note in bearer form (a "Permanent Bearer Global Note") or Bearer Notes in definitive form, in each case upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations. The applicable Final Terms or, as the case may be, the applicable Pricing Supplement will specify that a Permanent Bearer Global Note (other than in respect of Swiss Domestic Notes) either (i) is exchangeable (in whole but not in part) for definitive Notes upon not less than 60 days' notice or (ii) is only exchangeable (in whole but not in part) for definitive Notes following the occurrence of an Exchange Event (as defined under "Form of the Notes"), all as further described in "Form of the Notes" below. In respect of each Tranche of Notes denominated in Swiss Francs, the Issuer may deliver a permanent global Note in bearer form (a "Swiss Global Note") in respect of such Notes ("Swiss Domestic Notes"), which will be deposited on or about the issue date of the Tranche with SIX SIS Ltd, the Swiss Securities Services Corporation located in Olten, Switzerland ("SIS") or, as the case may be, with any other intermediary in Switzerland recognised for such purpose by the SIX Swiss Exchange Ltd (the "SIX Swiss Exchange") (SIS or any such other intermediary, the "Intermediary"). Subject to certain exceptions, Bearer Notes may not be offered, sold or delivered within the United States to, or for the account or benefit of, United States persons (as defined the U.S. Internal Revenue Code of 1986 and U.S. Treasury regulations thereunder). See "Subscription and Sale" below.

This Base Prospectus has been prepared on a basis that Notes other than Exempt Notes will have a minimum denomination of at least €100,000 (or its equivalent in any other currency). The Notes have not been, and will not be, registered under the United States

Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“Regulation S”)) except in accordance with Regulation S or pursuant to an exemption from the registration requirements of the Securities Act. Unless otherwise provided with respect to a particular Series (as defined under “Terms and Conditions of the Notes”) of Registered Notes, the Registered Notes of each Tranche of such Series sold outside the United States in reliance on Regulation S under the Securities Act will be represented by a permanent global Note in registered form, without interest coupons (a “Reg. S Global Note”), which will either (i) be deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company (“DTC”) for the accounts of Euroclear and Clearstream, Luxembourg for the accounts of their respective participants or (ii) be deposited with a common depository or common safekeeper, as the case may be for Euroclear and Clearstream, Luxembourg, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper, as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement. Prior to expiry of the period that ends 40 days after completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer, in the case of a non-syndicated issue, or the lead manager, in the case of a syndicated issue (the “Distribution Compliance Period”), beneficial interests in the Reg. S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person except in accordance with Rule 144A under the Securities Act, Rule 903 or 904 of Regulation S, or pursuant to another applicable exemption from the registration requirements of the Securities Act. The Registered Notes of each Tranche of such Series sold in private transactions to qualified institutional buyers (“QIBs”) within the meaning of Rule 144A under the Securities Act will be represented by a restricted permanent global Note in registered form, without interest coupons (a “Restricted Global Note”, and, together with a Reg. S Global Note, “Registered Global Notes”), deposited with a custodian for, and registered in the name of a nominee of, DTC. The Registered Notes of each Tranche of such Series sold to “accredited investors” (as defined in Rule 501(a)(1), (2), (3) and (7) under the Securities Act) which are institutions (“Institutional Accredited Investors”) will be in definitive form, registered in the name of the holder thereof. Registered Notes in definitive form will, at the request of the holder, be issued in exchange for interests in the Registered Global Notes upon compliance with the procedures for exchange as described in “Form of the Notes”.

Each Tranche of VPS Notes will be issued in uncertificated book-entry form, as more fully described under “Form of the Notes” below. On or before the issue date of each Tranche of VPS Notes entries may be made with the VPS to evidence the debt represented by such VPS Notes to accountholders with the VPS. VPS Notes will be issued in accordance with the laws and regulations applicable to VPS Notes from time to time.

Notes may not be offered or sold within the United States or to U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Registered Notes may be offered and sold in the United States exclusively to persons reasonably believed by the Dealers to qualify as QIBs (as defined herein) or placed privately pursuant to section 4(a)(2) of the Securities Act with institutions that are accredited investors as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act. Each U.S. purchaser of Registered Notes is hereby notified that the offer and sale of any Registered Notes to it may be made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A. To permit compliance with Rule 144A under the Securities Act in connection with the resales of Registered Notes, the Issuer is required to furnish, upon request of a holder of a Registered Note and a prospective purchaser designated by such holder, the information required to be delivered under Rule 144A(d)(4) under the Securities Act. Registered Notes are not transferable to other holders within the United States except upon satisfaction of certain conditions as described under “Subscription and Sale”.

The Notes have not been recommended by or approved or disapproved by the United States Securities and Exchange Commission (the “SEC”) or any other federal or state securities commission in the United States nor has the SEC or any other federal or state

securities commission confirmed the accuracy or determined the adequacy of this Base Prospectus. Any representation to the contrary is a criminal offence in the United States. The Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable federal or state securities laws pursuant to a registration statement or an exemption from registration. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

#### **NOTICE TO NEW HAMPSHIRE RESIDENTS**

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER CHAPTER 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

#### **FORWARD-LOOKING STATEMENTS**

This Base Prospectus contains forward-looking statements, which reflect management's current expectations with respect to future events, financial and operating performance and future market conditions. Words such as "believe", "anticipate", "expect", "aim", "project", "expect", "intend", "predict", "target", "may", "might", "assume", "could", "will" and "should" or other variations or comparable terminology are intended to identify forward-looking statements. Forward-looking statements appear in a number of places in this Base Prospectus including, without limitation, the documents referred to in "Documents Incorporated by Reference", "Risk Factors" and "Description of the Issuer". These forward-looking statements address matters such as:

- DNB Bank's business strategy and financial targets;
- performance of the financial markets;
- future prospects of DNB Bank such as growth prospects, cost development under the cost programme and future write-downs on loans; and
- future exposure to credit, market, liquidity and other risks.

By their nature, forward-looking statements involve risk and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. While DNB Bank has prepared these forward-looking statements in good faith and on the basis of assumptions it believes to be reasonable, any such forward-looking statements are not guarantees or warranties of future performance. DNB Bank's actual financial condition, results of operation and cash flows, and the development of the markets in which it operates, may differ materially from those expressed or implied in the forward-looking statements contained in this Base Prospectus.

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All references in this document to "U.S. dollars", "U.S.\$" and "\$" refer to United States dollars, those to "CHF" refer to Swiss Francs, those to "NOK" refer to Norwegian kroner, those to "Yen" refer to Japanese yen, those to "Sterling" and "£" refer to pounds sterling and those to "euro", "EUR" and "€" refer to the currency introduced at the start of the third stage of

European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

In this Base Prospectus, references to websites or uniform resource locators (“URLs”) are inactive textual references and are included for information purposes only. The contents of any such website or URL shall not form part of, or be deemed to be incorporated into, this Base Prospectus.

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

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes 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 relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement to this Base Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment 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 Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the currency in which such potential investor’s financial activities are principally denominated;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and 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.

**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) acting as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.**

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## OVERVIEW OF THE PROGRAMME

***The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms or, as the case may be, the applicable Pricing Supplement. The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions of the Notes, in which event, in the case of Notes other than Exempt Notes and, if appropriate, a supplement to this Base Prospectus or a new Base Prospectus will be published.***

This overview also constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No. 809/2004 (as amended) implementing the Prospectus Directive.

Words and expressions defined in “Form of the Notes” and “Terms and Conditions of the Notes” shall have the same meanings in this Overview of the Programme.

### Information relating to the Issuer

Description: DNB Bank ASA, a public limited company incorporated under the laws of the Kingdom of Norway on 10th September, 2002 with registration number 984 851 006. The registered office of the Issuer is at Dronning Eufemias gate 30, N-0021 Oslo, Norway.

### Information relating to the Programme

Description: Euro Medium Term Note Programme

Arranger: Deutsche Bank AG, London Branch

Dealers: Barclays Bank PLC  
BNP Paribas  
Citigroup Global Markets Limited  
Commerzbank Aktiengesellschaft  
Deutsche Bank AG, London Branch  
DNB Bank ASA  
DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main  
Goldman Sachs International  
HSBC Bank plc  
J.P. Morgan Securities plc  
Merrill Lynch International  
UBS Limited  
UniCredit Bank AG

Trustee: The Law Debenture Trust Corporation p.l.c.

Registrar: Citigroup Global Markets Deutschland AG

Issuing and Principal Paying Agent: Citibank, N.A., London Branch

VPS Account Manager: DNB Bank ASA, Verdipapirservice

Size: Up to €45,000,000,000 (or its equivalent in other currencies calculated as described in “General Description of the

Programme”) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.

**Distribution:** Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.

**Currencies:** Euro, Sterling, U.S. dollars, Swiss Francs, Yen and, subject to any applicable legal or regulatory restrictions and any applicable reporting requirements, any other currency agreed between the Issuer and the relevant Dealer.

**Maturities:** Subject to compliance with all relevant laws, regulations and directives, any maturity as may be agreed between the Issuer and the relevant Dealer(s). Unless otherwise permitted by then current laws, regulations and directives, Subordinated Notes will have a minimum maturity of at least five years.

**Issue Price:** Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.

**Form of Notes:** The Notes will be issued in bearer form, registered form or, in the case of VPS Notes, uncertificated book-entry form, as described in “Form of the Notes” below.

Each Tranche of Bearer Notes (other than Swiss Domestic Notes) will be initially represented by a Temporary Bearer Global Note which will (i) if the global Notes are intended to be issued in NGN form, as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, be delivered on or prior to the Issue Date to a Common Safekeeper for Euroclear and Clearstream, Luxembourg; and (ii) if the global Notes are not intended to be issued in NGN form, be delivered on or prior to the Issue Date to a Common Depository for Euroclear and Clearstream, Luxembourg. The Temporary Bearer Global Note will be exchangeable, as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, for either a Permanent Bearer Global Note or Bearer Notes in definitive form, in each case upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations.

Each Tranche of Swiss Domestic Notes will initially be represented by a Swiss Global Note which will be deposited on or about the issue date of the Tranche with the Intermediary.

Each Tranche of Registered Notes will be represented by either (i) a Reg. S Global Note, deposited with a custodian for, and registered in the name of a nominee of, DTC for the accounts of Euroclear and Clearstream, Luxembourg for the accounts of their respective participants or deposited with a common depository or common safekeeper, as the case may be for Euroclear and Clearstream, Luxembourg, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper, as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, (ii) a

Restricted Global Note, deposited with a custodian for, and registered in the name of a nominee of, DTC or (iii) (in the case of Registered Notes sold to Institutional Accredited Investors) Registered Notes in definitive form, registered in the name of the holder thereof.

Bearer Notes will not be exchangeable for Registered Notes and vice versa.

VPS Notes will not be evidenced by any physical note or document of title. Entitlements to VPS Notes will be evidenced by the crediting of VPS Notes to accounts with the VPS.

Fixed Rate Notes:

Fixed Rate Notes will bear interest at a fixed rate of interest specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement.

Interest on Fixed Rate Notes will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) (as indicated in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement) and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).

Floating Rate Notes:

Floating Rate Notes will bear interest at a rate determined:

- (i) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or
- (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or
- (iii) in the case of Exempt Notes, on such other basis as may be agreed between the Issuer and the relevant Dealer(s),

as indicated in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement.

The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer(s) for each Series of Floating Rate Notes and will be specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both (as indicated in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement).

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant

Dealer(s), will be payable on such Interest Payment Dates and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).

Reset Notes:

Notes may have reset provisions pursuant to which the relevant Notes will, in respect of an initial period, bear interest at an initial fixed rate of interest specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement. Thereafter, the fixed rate of interest will be reset on one or more date(s) by reference to a mid-market swap rate for the relevant Specified Currency, and for a period equal to the Reset Period, in each case as may be specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement.

The margin (if any) in relation to Reset Notes will be agreed between the Issuer and the relevant Dealer(s) for each Series of Reset Notes and will be specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement.

Interest on Reset Notes will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) (as indicated in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement) and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).

Zero Coupon Notes:

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

Exempt Notes:

The Issuer may agree with any Dealer and the Trustee that Exempt Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event the relevant provisions will be included in the applicable Pricing Supplement.

Redemption:

The applicable Final Terms or, as the case may be, the applicable Pricing Supplement will indicate the scheduled maturity date (which in the case of Subordinated Notes, must be at least five years after the issue date in respect of such Notes) and will also indicate whether the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or (in the case of Unsubordinated Notes) following an Event of Default) or that the relevant Notes will be redeemable at the option of the Issuer ("**Issuer Call**") (which, in respect of Subordinated Notes, may not take place prior to the fifth anniversary of the Issue Date) and/or (in the case of Unsubordinated Notes) at the option of the Noteholders ("**Investor Put**"), in each case upon giving not less than 15 nor more than 30 days' irrevocable notice (or, if applicable, not less than any other minimum period of notice nor more than any other maximum period of notice as may be specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement) to the Noteholders or the Issuer, as the case may be, on a date or dates specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, at the maturity and at a price or prices and on such terms as are indicated in the applicable Final Terms or, as the

case may be, the applicable Pricing Supplement.

Where the applicable Final Terms or, as the case may be, the applicable Pricing Supplement specify that Condition 6(j) applies, if a Capital Event (as defined in Condition 6(j)) occurs the Issuer shall be entitled to redeem Subordinated Notes (subject to the prior written consent of the Norwegian FSA (as defined below)).

No early redemption of Subordinated Notes may take place without the prior written consent of the Financial Supervisory Authority of Norway (*Finanstilsynet*) (the “**Norwegian FSA**”).

Denomination of Notes:

Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement save that the minimum denomination of each Note (other than an Exempt Note) will be at least €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the time of issue) or such other amount as may be allowed or required from time to time by the relevant regulatory authority or any laws or regulations applicable to the relevant Specified Currency.

The minimum denomination of each Note sold, resold or transferred to an Institutional Accredited Investor will be U.S.\$500,000 or its equivalent in other Specified Currencies.

Taxation:

All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed within the Kingdom of Norway, subject as provided in Condition 7.

All payments in respect of the Notes will be made subject to any deduction or withholding required by FATCA, as provided in Condition 5(b), but without prejudice to Condition 7.

Negative Pledge:

The Notes will not contain a negative pledge provision.

Cross-Default:

None.

Subordinated Notes will not contain any events of default.

Status of the Unsubordinated Notes:

The Unsubordinated Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will rank *pari passu* among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (including deposits) (other than subordinated obligations, if any) of the Issuer, present and future, from time to time outstanding.

Status of the Subordinated Notes:

The Subordinated Notes will constitute dated, unsecured and subordinated obligations of the Issuer.

In the event of a liquidation, dissolution or winding-up of the Issuer by way of public administration (except, in any such case, a solvent liquidation, dissolution, or winding-up solely for the

purposes of a reorganisation, reconstruction or amalgamation of the Issuer), claims in respect of the Subordinated Notes shall rank:

- (i) *pari passu* without any preference among themselves;
- (ii) at least *pari passu* with claims in respect of Parity Securities;
- (iii) in priority to claims in respect of Junior Securities; and
- (v) junior to any present or future claims of Senior Creditors.

Subordinated Notes – Loss Absorption:

Under Norwegian legislation, if the Issuer's most recent audited accounts reveal that its net assets are less than 25 per cent. of its share capital, the general meeting of shareholders of the Issuer can, or the relevant authorities can if the general meeting of shareholders of the Issuer does not do so: first, cancel share capital to compensate for the shortfall and secondly, if any remaining shortfall exceeds a substantial part (as determined by the general meeting of shareholders of the Issuer or by the relevant Norwegian authorities) of the Issuer's subordinated loan capital, cancel, in whole or in part, such subordinated loan capital (which would include principal in respect of all Subordinated Notes).

To the extent that part only of the outstanding principal amount of any Subordinated Notes has been cancelled as provided above, interest will continue to accrue in accordance with the terms thereof on the then outstanding principal amount of such Subordinated Notes, as the case may be, and on any Arrears of Interest (including any Additional Interest Amounts).

Substitution or Variation:

Where the applicable Final Terms or, as the case may be, the applicable Pricing Supplement specify that Condition 6(k) applies, if at any time a Capital Event occurs, the Issuer may, subject to obtaining the prior written consent of the Norwegian FSA, substitute Subordinated Notes for, or vary their terms so that they remain or, as appropriate, become, Qualifying Securities (as defined in Condition 6(k)), as further provided in Condition 6(k).

Rating:

The Programme has been rated A+ by Standard & Poor's and A-1 by Moody's. Each of Standard & Poor's and Moody's is established in the European Union and is registered under the CRA Regulation. Notes issued pursuant to the Programme may be rated or unrated. Where a Tranche of Notes is rated, its rating will be specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement and will not necessarily be the same as the rating applicable to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Listing and Admission to Trading:

Application has been made to the Irish Stock Exchange for the Notes to be issued under the Programme (other than Exempt Notes, VPS Notes and Swiss Domestic Notes) within the period

of 12 months from the date of this Base Prospectus to be admitted to the Official List and trading on the Main Securities Market.

Applications may be made to list VPS Notes on the Oslo Stock Exchange. Any such applications will be in accordance with applicable laws and regulations governing the listing of VPS Notes on the Oslo Stock Exchange from time to time.

In addition, application has been made to register the Programme on the SIX Swiss Exchange. Upon specific request, Notes issued under the Programme may be listed on the SIX Swiss Exchange. Swiss Domestic Notes may be listed only on the SIX Swiss Exchange.

Notes issued under the Programme may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer(s) in relation to each Series. Notes which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms or, as the case may be, the applicable Pricing Supplement will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

Exempt Notes may only be admitted to listing or trading on non-EEA stock exchanges and/or markets.

**Governing Law:**

The Notes, and any non-contractual obligations arising therefrom or in connection therewith, will be governed by, and construed in accordance with, English law except for the provisions of Condition 3 which will be governed by, and construed in accordance with, Norwegian law.

VPS Notes must comply with the Norwegian Securities Register Act of 5th July, 2002 no. 64, as amended from time to time and the holders of VPS Notes will be entitled to the rights and are subject to the obligations and liabilities which arise under this Act and any related regulations and legislation.

**Selling Restrictions:**

There are selling restrictions on the offer, sale and transfer of the Notes in the United States, the European Economic Area, the United Kingdom, Norway and Japan and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See "Subscription and Sale" below.

**United States Selling Restrictions:**

For United States securities law purposes only, the Issuer is a Category 2 issuer under Regulation S. Notes will be issued in accordance with TEFRA D, TEFRA D (Swiss Exemption) or TEFRA C unless TEFRA is not applicable, as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement. VPS Notes must be issued in compliance with TEFRA C unless TEFRA is not applicable.

## **RISK FACTORS**

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons which may not be considered significant risks by the Issuer based on information currently available to it and which it may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.*

### **Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme**

#### ***Economic activity in Norway***

The Issuer's business activities are dependent on the level of banking, finance and financial services required by its customers. In particular, levels of borrowing are heavily dependent on customer confidence, employment trends, the state of the economy and market interest rates at the time. As the Issuer currently conducts the majority of its business in Norway, its performance is influenced by the level and cyclical nature of business activity in Norway, which is in turn affected by both domestic and international economic factors (for example, fluctuations in the price of oil and gas) and political events. In particular, lower oil prices and greater uncertainty regarding the Norwegian economy towards the end of 2014 resulted in a depreciation of the Norwegian krone, reduced prices on Norwegian Treasury bills and widening credit spreads with a consequent negative effect on the income of the Group. There can be no assurance that future deteriorations in the economy of Norway will not have an adverse effect on the future results of the Issuer or the Group.

#### ***Risks relating to disruptions in the global credit markets and economy***

Financial markets are subject to periods of historic volatility which may impact the Issuer's ability to raise debt in a similar manner, and at a similar cost, to the funding raised in the past. Challenging market conditions have resulted in greater volatility but also in reduced liquidity, widening of credit spreads and lack of price transparency in credit markets. Changes in investment markets, including changes in interest rates, exchange rates and returns from equity, property and other investments, may affect the financial performance of the Issuer. In addition, the financial performance of the Issuer could be adversely affected by a worsening of general economic conditions in the markets in which it operates.

#### ***Business risk factors***

As a result of its business activities, the Issuer is exposed to a variety of risks, the most significant of which are credit risk, market risk, operational risk and liquidity risk. Failure to control these risks could result in adverse effects on the Issuer's financial performance and reputation.

##### *Credit risk*

Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent in a wide range of the Issuer's businesses. Adverse changes in the credit quality of the Issuer's borrowers and counterparties or a general deterioration in Norwegian or global economic conditions, or arising from systematic risks in the financial systems, could affect the

recoverability and value of the Issuer's assets and require an increase in the Issuer's provision for bad and doubtful debts and other provisions. In particular, a combination of increasing household indebtedness and stable or declining housing prices in Norway could increase the financial vulnerability of some Norwegian mortgage borrowers, especially young and/or low-income borrowers. Norwegian customers have historically demonstrated a preference for floating rate mortgages and increases in interest rates could weaken the liquidity situation of certain borrowers. An increase in household indebtedness, a decline in house prices or an increase in interest rates could have an adverse effect on mortgage borrowers' ability to meet their mortgage obligations and could adversely affect the Issuer's results of operations, financial condition and business prospects and its ability to perform its obligations under the Notes.

#### *Market risk*

The most significant market risks the Issuer faces are interest rate, foreign exchange and bond and equity price risks. Changes in interest rate levels, yield curves and spreads may affect the interest rate margin realised between lending and borrowing costs. Changes in currency rates, particularly in the Norwegian krone-U.S. dollar and Norwegian kroner-euro exchange rates, affect the value of assets and liabilities denominated in foreign currencies, and may affect income from foreign exchange dealing. The performance of financial markets may cause changes in the value of the Issuer's investment and trading portfolios. The Issuer has implemented risk management methods to mitigate and control these and other market risks to which the Issuer is exposed, and exposures are constantly measured and monitored. However, it is difficult to predict changes in economic or market conditions and to anticipate the effects that such changes could have on the Issuer's financial performance and business operations.

#### *Operational risk*

The Issuer's businesses are dependent on its ability to process a very large number of transactions efficiently and accurately. Operational risk and losses can result from fraud, errors by employees, failure to document transactions properly or to obtain proper internal authorisation, failure to comply with regulatory requirements and conduct of business rules, equipment failures, natural disasters or the failure of external systems, for example, those of the Issuer's suppliers or counterparties. Although the Issuer has implemented risk controls and loss mitigation actions, and substantial resources are devoted to developing efficient procedures and to staff training, it is not possible to implement procedures which are fully effective in controlling each of the operational risks.

#### *Liquidity risk*

The inability of the Issuer to anticipate and provide for unforeseen decreases or changes in funding sources could have adverse consequences on the Issuer's ability to meet its obligations when they fall due.

#### **Credit ratings**

The Issuer's credit ratings are important to its business. There can be no assurance that the rating agencies will not downgrade the ratings of the Issuer or the ratings of the Issuer's debt instruments (including Notes issued under the Programme) either as a result of the financial position of the Group (as defined under "Description of the Issuer") or changes to applicable rating methodologies used by Standard & Poor's and Moody's and any other relevant rating agency. A rating agency's evaluation of the Issuer may also be based on a number of factors not entirely within the control of the Issuer, such as conditions affecting the financial services industry generally. Any reduction in the Issuer's credit ratings or the ratings of its debt instruments, including any unsolicited credit rating, could adversely affect its liquidity and competitive position, undermine confidence in the Issuer and the Group, increase its borrowing costs, limit its access to the capital markets, or limit the range of counterparties willing to enter into transactions with the Issuer and the Group. Such development could have a material adverse effect on the Issuer and the Group's business, financial situation, results of operations, liquidity and/or prospects.

### ***Impact of regulatory changes***

Each of the Issuer and the Group are subject to financial services laws, regulations, administrative actions and policies in Norway and in each other jurisdiction in which the Issuer and the Group, respectively, carries on business. Changes in supervision and regulation, in particular in Norway, could materially affect the Issuer's and the Group's business, the products and services offered or the value of its assets. Although the Issuer works closely with its regulators and continually monitors the situation, future changes in regulation, fiscal or other policies can be unpredictable and are beyond the control of the Issuer and the Group's.

### ***EU bank recovery and resolution directive***

On 2nd July, 2014, Directive 2014/59/EU providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (the "**Bank Recovery and Resolution Directive**" or "**BRRD**") entered into force. The BRRD is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system.

The BRRD, under its terms, was required to be applied by European Union Member States from 1st January, 2015, except for the general bail-in tool (see below) which is to be applied from 1st January, 2016. It should be noted that Norway will not be directly bound by the BRRD before it has been implemented into the EEA Agreement and even if Norway is seeking to adopt EU directives and regulations prior to their implementation in the EEA Agreement, no draft regulations have been suggested in Norway at present. It should also be noted that some of the provisions of the BRRD relating to the supranational powers of the European Banking Authority appear to conflict with the Norwegian constitution, and that implementation will therefore require a three-quarters majority of the Norwegian Parliament. Even though the Ministers of Finance in the EEA Member States reached agreement with the EU Member States on 14th October, 2014 on the principles of how the supranational powers of the European Banking Authority shall be implemented in the EEA, this agreement is subject to the approval of the Norwegian Parliament. At present it is not clear when, or in what form, this matter will be presented to the Norwegian Parliament for approval. With respect to Norwegian rules in force regarding loss absorption, please see the risk factor titled "*The Subordinated Notes may also be written down by the Issuer's shareholders or the Norwegian authorities under the Norwegian Bank Security Act*" on page 20.

The BRRD contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest: (i) sale of business – which enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms; (ii) bridge institution – which enables resolution authorities to transfer all or part of the business of the firm to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control); (iii) asset separation – which enables resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims, which would include Subordinated Notes, to equity (the "**general bail-in tool**"), with such equity also being subject to any future application of the general bail-in tool.

The BRRD also provides for a Member State, in the event the above resolution tools alone are insufficient to maintain financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and

temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework.

An institution will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

In addition to the general bail-in tool, the BRRD provides for resolution authorities to have the further power to permanently write-down or convert into equity capital instruments such as Subordinated Notes at the point of non-viability and before any other resolution action is taken (non-viability loss absorption). Any shares issued to holders of Subordinated Notes upon any such conversion into equity may also be subject to any application of the general bail-in tool.

For the purposes of the application of any non-viability loss absorption measure, the point of non-viability under the BRRD is the point at which the relevant authority determines that the institution meets the conditions for resolution (but no resolution action has yet been taken) or that the institution will no longer be viable unless the relevant capital instruments (such as Subordinated Notes) are written-down or converted or extraordinary public support is to be provided and without such support the appropriate authority determines that the institution would no longer be viable.

The powers set out in the BRRD will impact how relevant credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors.

It is currently unclear when the BRRD will be implemented in Norway, and any such implementation may require appropriate consideration of applicable constitutional issues. Presently, Subordinated Notes will be subject to the Bank Security Act described below.

When the BRRD is implemented in Norway, Tier 2 instruments such as the Subordinated Notes may be expected to be within the scope of both the general bail-in tool and the power to permanently write-down or convert into equity capital instruments at the point of non-viability and before any other resolution action is taken, in each case as described above.

If the BRRD is implemented in Norway in line with the EU legislation, holders of Subordinated Notes may be subject to write-down or conversion into equity on any application of the general bail-in tool or the non-viability loss absorption powers, which may result in such holders losing some or all of their investment in Subordinated Notes, or their rights in respect of Subordinated Notes and/or the value of their investment may otherwise be materially adversely affected.

In addition, the market price of Subordinated Notes could be adversely affected by the implementation or proposed implementation of BRRD in Norway and/or, following any such implementation, by any actual or anticipated use of the powers thereunder in respect of the Issuer and/or Subordinated Notes. Any action taken under such legislation in respect of the Issuer or the Group could also affect the ability of the Issuer to satisfy its obligations under Subordinated Notes.

As it remains uncertain when the BRRD will be implemented in Norway, and in any event the Norwegian authorities could elect to adopt more onerous provisions than required under the EU legislation, it is difficult to anticipate the potential implications for the Issuer or Subordinated Notes.

***The Subordinated Notes may also be written down by the Issuer's shareholders or the Norwegian authorities under the Norwegian Bank Security Act***

The Subordinated Notes may also be written down by the shareholders of the Issuer or by the Norwegian authorities pursuant to powers granted to them under Chapter 3 of the Norwegian Bank

Security Act of 6 December 1996 No 75 (*Lov om sikringsordninger for banker, forsikringssekskaperenes garantiordninger og offentlig administrasjon m.v. av finansinstitusjoner*) (the “**Bank Security Act**”).

Pursuant to section 3-6 of the Bank Security Act, if:

- (a) the Issuer’s most recent audited accounts reveal that its net assets are less than 25 per cent. of its share capital (for the avoidance of doubt, this ratio is measured against issued share capital and not the total equity of the Issuer); or
- (b) a substantial part of the Subordinated Loan Capital (as defined below) of the Issuer is lost,

the general meeting of shareholders of the Issuer, failing which the relevant Norwegian authorities, can:

- (i) firstly, cancel share capital to compensate for the shortfall; and
- (ii) secondly, if any remaining shortfall exceeds a substantial part (as determined by the general meeting of shareholders of the Issuer or by the relevant Norwegian authorities) of the Issuer’s subordinated loan capital, cancel, in whole or in part, such subordinated loan capital (“**Subordinated Loan Capital**”) (which would include principal in respect of the Subordinated Notes).

Any instruments written down and/or cancelled pursuant to the Bank Security Act will not be reinstated in whole or in part at any time.

The write down of the Subordinated Notes under the Bank Security Act will affect the claims of the Noteholders in various respects. Firstly, in the event of a winding-up of the Issuer, the claims of the Noteholders will be in respect of the outstanding principal amount of the Subordinated Notes at the time of the winding-up of the Issuer, and not for the original principal amount.

Similarly, upon any redemption of the Subordinated Notes by the Issuer, whether at its option pursuant to an Issuer call option under Condition 6.2(c) (if any) or following the occurrence of a redemption for tax reasons in accordance with Condition 6.2(b), the redemption amount of each Subordinated Note will be its outstanding principal amount (together with accrued and unpaid interest) and not its original principal amount. The Issuer is not able to reinstate any principal amount of the Subordinated Notes which has been written down pursuant to the Bank Security Act and, if applicable, the Issuer would be entitled to redeem the Subordinated Notes pursuant to Condition 6.2(c) (subject to compliance with the conditions to such redemption) notwithstanding that the outstanding principal amount of the Subordinated Notes is less than their original principal amount by virtue of such write-down under the Bank Security Act.

In addition, interest will accrue only on the outstanding principal amount of the Subordinated Notes from time to time, and accordingly for so long as the outstanding principal amount of the Subordinated Notes is less than their original principal amount, the maximum amount of interest which may be paid by the Issuer on any Interest Payment Date shall be less than if the Subordinated Notes had not been written down.

Noteholders will not be entitled to any compensation or other payment as a result of any write down of the Subordinated Notes pursuant to the Bank Security Act. Accordingly, if the Subordinated Notes are written down under the Bank Security Act, Noteholders could lose all or part of the value of their investment in the Subordinated Notes. In addition, any actual or anticipated use of the powers under the Bank Security Act to write down the Subordinated Notes will be likely to have a severe adverse effect on the market price of the Subordinated Notes.

#### **CRD IV – capital requirements**

The directive of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms dated 26th June, 2013 and published in the Official Journal of the European Union on 27th June, 2013, together with the associated regulation 575/2013 of the European Parliament and of the Council of 26th June, 2013 on prudential requirements for credit institutions and investment firms, in each case as amended or replaced from time to time (“**CRD IV**”) provides for the new, stricter capital requirements, and on 14th June, 2013 the Norwegian Government sanctioned an act which implemented the capital adequacy rules of CRD IV. Implementation of the rules was effected by making amendments to the Norwegian Financial Institutions Act (“**FIA**”) which came into force on 1st July, 2013 and imply a gradual increase in capital adequacy requirements over the coming years.

The new and amended provisions of the FIA require that the capital adequacy requirement of 8 per cent. shall consist of at least 4.5 per cent. common equity tier 1 capital and at least 6 per cent. tier 1 capital.

In addition to the requirement for 4.5 per cent. common equity tier 1 capital, FIA imposes various capital buffer requirements which must be met by Norwegian financial institutions, all consisting of common equity tier 1. The capital buffer requirements consist of (i) a conservation buffer of 2.5 per cent. and (ii) a systemic risk buffer of 3 per cent. From 1st July, 2014, the Issuer was required to hold a total of 10 per cent. common equity in addition to the 3.5 per cent. of other capital instruments.

From 30th June, 2015, banks will also have to comply with a counter-cyclical buffer and a capital buffer to mitigate systemic risk. The counter-cyclical buffer is currently set at 1 per cent., but the level will be determined by the Ministry of Finance each quarter. A decision to increase the level will normally enter into force no earlier than 12 months after the decision was made. On 27th March, 2015 the Ministry of Finance announced that the requirement shall remain at 1 per cent., whilst the Norwegian FSA expressed the view that the requirement ought to be increased to 1.5 per cent. from 31st March, 2016 (although no decision to this effect has been taken).

In addition, systemically important banks must hold a buffer for systemically important institutions of 1 per cent. of common equity tier 1 from 1st July, 2015. The Norwegian Ministry adopted regulation on the identification of systemically important institutions on 12th May, 2014 and notified, amongst others, the Issuer that it has been decided that the Issuer is regarded by the Ministry of Finance to be one of the systemically important institutions to which the additional buffer will apply. This means that the Issuer must hold at least a total of 12 per cent. common equity tier 1 capital from 1st July, 2015. It has been decided that the additional buffer for systemically important institutions, including the Issuer, will increase to 2 per cent. from 1st July, 2016.

Effective from 30 September 2014, the Norwegian Government amended the requirements for each of the different types of capital, namely Common Equity Tier 1 (*egenkapital*), Additional Tier 1 (*hybridkapital*) and Tier 2 capital (*tilleggskapital*), in line with the definitions set out in CRD IV.

The condition of the Group's businesses as well as external conditions are constantly changing. As a result and to ensure compliance with the changing regulatory landscape, they may need to raise additional capital in the future. Such capital, whether in the form of debt financing, hybrid capital or additional equity, may not be available on attractive terms, or at all. In addition, it is difficult to predict what regulatory requirements may be imposed in the future or accurately estimate the impact that any currently proposed regulatory changes may have on the business, the products and services offered by Group entities and the values of their assets. For example, if a member of the Group is required to make additional provisions, increase its reserves or capital, or exit or change its approach to certain businesses as a result of the initiatives to strengthen the regulation of credit institutions, this could adversely affect its results of operations or financial condition.

## **Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme**

### ***Risks related to the structure of a particular issue of Notes***

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

*If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return.*

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

*If the Issuer has the right to convert the interest rate on any Notes from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned.*

Fixed/Floating Rate Notes are Notes which may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing market rates.

*Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates.*

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

*The Issuer's obligations under Subordinated Notes are subordinated. An investor in Subordinated Notes assumes an enhanced risk of loss in the event of the Issuer's insolvency.*

The Issuer's obligations under Subordinated Notes are unsecured and subordinated.

On a liquidation, dissolution or winding-up of the Issuer by way of public administration (referred to herein as a "**winding-up of the Issuer**"), all claims in respect of the Subordinated Notes will rank *pari passu* without any preference among themselves, at least *pari passu* with claims in respect of Parity Securities, in priority to claims in respect of Junior Securities and junior to any present or future claims of Senior Creditors. If, on a winding-up of the Issuer, the assets of the Issuer are insufficient to enable the Issuer to repay the claims of the more senior-ranking creditors in full, the Noteholders will lose their entire investment in the Subordinated Notes. If there are sufficient assets to enable the Issuer to pay the claims of senior-ranking creditors in full but insufficient assets to enable it

to pay claims in respect of its obligations in respect of the Subordinated Notes and all other claims that rank *pari passu* with the Subordinated Notes, Noteholders will lose some (which may be substantially all) of their investment in the Subordinated Notes..

There is no restriction on the amount of securities or other liabilities that the Issuer may issue, incur or guarantee and which rank senior to, or *pari passu* with, the Subordinated Notes. The Issue or guaranteeing of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by Noteholders during a winding-up of the Issuer and may limit the Issuer's ability to meet its obligations under the Subordinated Notes.

Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a significant risk that an investor in such Notes will lose all or some of his investment should a winding-up of the Issuer occur.

*There are no events of default in relation to Subordinated Notes*

In the event that the Issuer fails to pay interest or principal when due on any Subordinated Note, the holders of such Notes shall be entitled to bring proceedings against the Issuer for payment of such amounts.

*Subordinated Notes: Capital Event Redemption*

Where the applicable Final Terms or, as the case may be, the applicable Pricing Supplement specify that Condition 6(j) applies, if a Capital Event (as defined in the Terms and Conditions of the Notes) occurs, the Issuer may, at its option, but subject to obtaining the prior written consent of the Norwegian FSA, on giving not less than 30 nor more than 60 days' notice to the Trustee and the Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), as further provided in Condition 6(j), redeem all (but not some only) of the outstanding Notes comprising the relevant Series at the amount specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, together (if appropriate) with interest accrued to (but excluding) the date of redemption.

There can be no assurance that holders of Subordinated Notes will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investments in the Subordinated Notes, as the case may be.

*Subordinated Notes: Call options are subject to the prior consent of the Norwegian FSA*

In addition to the call rights described above under "*Subordinated Notes: Special Event Redemption*", Subordinated Notes may also contain provisions allowing the Issuer to call them after a minimum period of, for example, five years. To exercise such a call option, the Issuer must obtain the prior written consent of the Norwegian FSA.

Holders of such Notes have no rights to call for the redemption of such Notes and should not invest in such Notes in the expectation that such a call will be exercised by the Issuer. The Norwegian FSA must agree to permit such a call, based upon its evaluation of the regulatory capital position of the Issuer and certain other factors at the relevant time. There can be no assurance that the Norwegian FSA will permit such a call. Holders of such Notes should be aware that they may be required to bear the financial risks of an investment in such Notes for a period of time in excess of the minimum period.

*In certain circumstances, the Issuer can substitute or vary the terms of Subordinated Notes*

Where the applicable Final Terms or, as the case may be, the applicable Pricing Supplement specify that Condition 6(k) applies, if at any time a Capital Event occurs, the Issuer may, subject to obtaining the prior written consent of the Norwegian FSA, (without any requirement for the consent or approval of the relevant Noteholders or, subject as provided in Condition 6(k), the Trustee) either substitute all (but not some only) of the relevant Subordinated Notes, as the case may be, for, or vary

the terms of the relevant Subordinated Notes, as the case may be, and/or the terms of the Trust Deed so that they remain or, as appropriate, become, Qualifying Securities (as defined in Condition 6(k)) as further provided in Condition 6(k). The Terms and Conditions of such substituted or varied Subordinated Notes may have terms and conditions that contain one or more provisions that are substantially different from the terms and conditions of the original Subordinated Notes, provided that the relevant Subordinated Notes remain or, as appropriate, become, Qualifying Securities in accordance with the Terms and Conditions. While the Issuer cannot make changes to the terms of Subordinated Notes that, in its reasonable opinion, are materially less favourable to the holders of the relevant Subordinated Notes as a class, no assurance can be given as to whether any of these changes will negatively affect any particular holder. In addition, the tax and stamp duty consequences of holding such substituted or varied Subordinated Notes could be different for some categories of Noteholders from the tax and stamp duty consequences for them of holding the Subordinated Notes prior to such substitution or variation.

### ***Risks related to Notes generally***

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

*The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors and confer significant discretions on the Trustee which may be exercised without the consent of the Noteholders and without regard to the individual interests of particular Noteholders.*

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders and without regard to particular Noteholders, (i) agree to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed or (ii) determine that any Event of Default or potential Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do. In addition, the Trustee may, without the consent of the Noteholders, agree with the Issuer to the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 15 of the Notes including the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution.

*The Notes may be subject to withholding taxes in circumstances where the Issuer is not obliged to make gross up payments and this would result in holders receiving less interest than expected and could significantly adversely affect their return on the Notes.*

### ***Withholding under the EU Savings Directive***

Under Council Directive 2003/48/EC on the taxation of savings income, (the “**Savings Directive**”) Member States are required to provide to the tax authorities of other Member States details of certain payments of interest or similar income paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or certain limited types of entities established in another Member State.

For a transitional period, Austria is required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments. The end of the transitional period is dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 24th March, 2014, the Council of the European Union adopted a Council Directive (the “**Amending Directive**”) amending and broadening the scope of the requirements described above.

The Amending Directive requires Member States to apply these new requirements from 1st January, 2017 and if they were to take effect the changes would expand the range of payments covered by the Savings Directive, in particular to include additional types of income payable on securities. They would also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported or subject to withholding. This approach would apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

However, the European Commission has proposed the repeal of the Savings Directive from 1st January, 2017 in the case of Austria and from 1st January, 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent (as defined in the Conditions of the Notes) nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Savings Directive.

#### *Foreign Account Tax Compliance Act Withholding*

While the Notes are in global form and held within Euroclear Bank SA/NV, Clearstream Banking, société anonyme or the VPS (together, the “**ICSDs**”), in all but the most remote circumstances, it is not expected that the new reporting regime and potential withholding tax imposed by Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (“**FATCA**”) will affect the amount of any payment received by the ICSDs. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer’s obligations under the Notes are discharged once the Paying Agent has paid to the order of the common depository or common safekeeper for the ICSDs (as bearer of the Notes), and the Issuer has therefore no responsibility for any amount thereafter transmitted through the ICSDs and custodians or intermediaries. Further, foreign institutions in a jurisdiction which has entered into an intergovernmental agreement with the United States (an “**IGA**”) are generally not expected to be required to withhold under FATCA or an IGA (or any law implementing an IGA) from payments they make. Prospective investors should refer to the section “Taxation – Foreign Account Tax Compliance Act.”

#### *Proposed Amendment of Swiss Federal Withholding Tax Act*

On 22nd December, 2010 the Swiss Federal Council issued draft legislation, which, if enacted, may require any Paying Agent in Switzerland to deduct Swiss withholding tax at a rate of 35 per cent. on any payment of interest in respect of a Note to an individual resident in Switzerland or to a person resident in a country which has no double tax treaty with Switzerland. If this legislation or

similar legislation were enacted and an amount of, or in respect of, Swiss withholding tax were to be deducted or withheld from a payment, neither the Issuer nor a Paying Agent nor any other person would pursuant to the Terms and Conditions of the Notes be obliged to pay additional amounts with respect to any Notes as a result of the deduction or imposition of such withholding tax. In respect of Notes that are not Swiss Domestic Notes, the Issuer is required to maintain a Paying Agent in a jurisdiction within Europe other than Switzerland that will not be required to withhold or deduct tax pursuant to laws enacted in Switzerland providing for the taxation of payments according to principles similar to those laid down (i) in the European Council Directive 2003/48/EC or (ii) in the draft legislation proposed by the Swiss Federal Council on 22nd December, 2010, in particular the principle to have a person other than the Issuer withhold or deduct the tax.

*The value of the Notes could be adversely affected by a change in English or Norwegian law or administrative practice.*

The Terms and Conditions of the Notes are based on English law and, in respect of Condition 3, Norwegian law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law, Norwegian law or administrative practice after the date of issue of the relevant Notes and any such change could materially adversely impact the value of any Notes affected by it.

*Investors who purchase Notes in denominations that are not an integral multiple of the Specified Denomination may be adversely affected if definitive Notes are subsequently required to be issued.*

In relation to any issue of Bearer Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive bearer Note in respect of such holding (should definitive bearer Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

### ***Risks related to the market generally***

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

*An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes.*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

*If an investor holds Notes which are not denominated in the investor's home currency, he will be exposed to movements in exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes.*

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

*The value of Fixed Rate Notes or Reset Notes may be adversely affected by movements in market interest rates.*

Investment in Fixed Rate Notes or Reset Notes involves the risk that if market interest rates subsequently increase above the relevant rate paid on the Fixed Rate Notes or Reset Notes, this will adversely affect the value of the Fixed Rate Notes or Reset Notes.

In addition, a holder of Reset Notes is also exposed to the risk of fluctuating interest rate levels and uncertain interest income.

*Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes.*

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). Certain information with respect to the credit rating agencies and ratings will be disclosed in the Final Terms or, as the case may be, the Pricing Supplement.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published and have been filed with the Central Bank, shall be incorporated in, and form part of, this Base Prospectus:

- (a) the audited consolidated and non-consolidated annual financial statements of the Issuer for the financial years ended 31st December, 2013 (which can be viewed online at <https://www.dnb.no/portalfront/nedlast/no/om-oss/resultater/2013/annual-report-dnb-bank-2013.pdf>) and 31st December, 2014 (which can be viewed online at <https://www.dnb.no/portalfront/nedlast/no/om-oss/resultater/2014/annual-report-dnb-bank-2014.pdf>), prepared in accordance with International Financial Reporting Standards as approved by the EU (referred to herein as “IFRS”), and simplified International Financial Reporting Standards pursuant to the Norwegian Accounting Act § 3-9, respectively, including the information set out at the following pages of the Issuer’s ‘Annual Report 2013’ and ‘Annual Report 2014’, respectively:

	2013	2014
Income statement	page 16	page 14
Balance sheet	page 17	page 15
Statement of changes in equity	page 18	page 16
Cash flow statement	page 19	page 17
Accounting principles	pages 20-29	pages 18-26
Notes to the accounts	pages 30-114	pages 27 – 109
Auditor’s report	page 117	page 111

- (b) the unaudited consolidated and non-consolidated interim financial statements of the Issuer as at, and for the period ended, 31st March, 2015 (which can be viewed online at <https://www.dnb.no/portalfront/nedlast/no/om-oss/resultater/2015/1-kvartal/kvartalsrapport-dnb-bank-1Q15-en.pdf>, including the information set out at the following pages of the Issuer’s ‘Quarterly Report – First quarter 2015’:

Income statements	pages 8 and 10
Balance sheets	pages 9 and 11
Statement of changes in equity	page 12
Cash flow statement	page 13
Accounting principles and explanatory notes	pages 15 - 38

- (c) the section “*Terms and Conditions of the Notes*” from the following prospectuses/offering circulars relating to the Programme: (i) Offering Circular dated 30th April, 2004 (pages 24-54 inclusive) (which can be viewed online at [https://www.bourse.lu/Bourse/application?\\_flowId=DownloadDocumentFlow&v=ADyMFy5zxNFitbuuk6wDBnvjhuMyZlmRCLRp2blqesr8o3m+6tBmtJDcqtZcrE4a4Z1K0knXZW8ZmbBJ+U8PmD0T4XWeY4aME02fKIhpEFdlQyNeJiOPJnXLKWEyVYwwAxikr5XD2Xcf9a1DAyyOs+13U5qWXVsLcXbVa7vg2IU=&so\\_timeout=0](https://www.bourse.lu/Bourse/application?_flowId=DownloadDocumentFlow&v=ADyMFy5zxNFitbuuk6wDBnvjhuMyZlmRCLRp2blqesr8o3m+6tBmtJDcqtZcrE4a4Z1K0knXZW8ZmbBJ+U8PmD0T4XWeY4aME02fKIhpEFdlQyNeJiOPJnXLKWEyVYwwAxikr5XD2Xcf9a1DAyyOs+13U5qWXVsLcXbVa7vg2IU=&so_timeout=0)); (ii) Prospectus dated 12th September, 2005 (pages 35-64 inclusive) (which can be viewed online at [https://www.bourse.lu/Bourse/application?\\_flowId=DownloadDocumentFlow&v=ADyMFy5zxNFitbuuk6wDBqmbazstGbU83j+Hw3Dx2ro5MGNOI6AtODy3GM72OdD7jyQKytsTVx4Y5Lx/IIINUOnHtTnPnRutTmxGpdUDv76wLwLtN+I3BDI0F6IZGSBOFwj2sJ7t4D2P7OCIsZ75sPvLIJt9GcxoJLDHJ9klvQXc=&so\\_timeout=0](https://www.bourse.lu/Bourse/application?_flowId=DownloadDocumentFlow&v=ADyMFy5zxNFitbuuk6wDBqmbazstGbU83j+Hw3Dx2ro5MGNOI6AtODy3GM72OdD7jyQKytsTVx4Y5Lx/IIINUOnHtTnPnRutTmxGpdUDv76wLwLtN+I3BDI0F6IZGSBOFwj2sJ7t4D2P7OCIsZ75sPvLIJt9GcxoJLDHJ9klvQXc=&so_timeout=0)); (iii) Prospectus dated 8th September, 2006 (pages 37-66 inclusive) (which can be viewed online at [https://www.bourse.lu/Bourse/application?\\_flowId=DownloadDocumentFlow&v=ADyMFy5zxNFitbuuk6wDBq6jMyXwpPYDZ8phENTSR/PGq/giZoGGvIF1EuB3xJLbaoX9z6q09rM1XBU/r0QMUDUCZIILOfe1xoczSinx4aQnK5DSu4L37RMtXtyidIPpKeLNx/+RIBgeheeVt7oa+H37lfbasBYiqxLgPKwhqQQ=&so\\_timeout=0](https://www.bourse.lu/Bourse/application?_flowId=DownloadDocumentFlow&v=ADyMFy5zxNFitbuuk6wDBq6jMyXwpPYDZ8phENTSR/PGq/giZoGGvIF1EuB3xJLbaoX9z6q09rM1XBU/r0QMUDUCZIILOfe1xoczSinx4aQnK5DSu4L37RMtXtyidIPpKeLNx/+RIBgeheeVt7oa+H37lfbasBYiqxLgPKwhqQQ=&so_timeout=0)); (iv) Prospectus dated 7th September, 2007 (pages 50-80 inclusive) (which can be viewed online at

[https://www.bourse.lu/Bourse/application? flowId=DownloadDocumentFlow&v=ADyMFy5zxNFitbuuk6wDBo4G11tCM2nLERIS96iqUjdApZdcPd+06VOBhy+nOebS+/xYEOUBWC4Q/PZ5vhyW1qvtsZFPoyhj2lc9I9EEEEBk3DDRCph9fu3YptA+RoewnMBYK6JfJjyeH1d4a232jvsSLa2jKHdN3hyk8rvBnlE=&so\\_timeout=0](https://www.bourse.lu/Bourse/application? flowId=DownloadDocumentFlow&v=ADyMFy5zxNFitbuuk6wDBo4G11tCM2nLERIS96iqUjdApZdcPd+06VOBhy+nOebS+/xYEOUBWC4Q/PZ5vhyW1qvtsZFPoyhj2lc9I9EEEEBk3DDRCph9fu3YptA+RoewnMBYK6JfJjyeH1d4a232jvsSLa2jKHdN3hyk8rvBnlE=&so_timeout=0)); (v) Prospectus dated 8th September, 2008 (pages 50-81 inclusive) (which can be viewed online at [https://www.bourse.lu/Bourse/application? flowId=DownloadDocumentFlow&v=ADyMFy5zxNFitbuuk6wDBshRWa8twRD7Ww5Ng4kU6DgSTTN1EmEroTDI/w3IFH8CItNXOk32OH+3Fd44wRhZXkiPtJTnwUUicvweOnhrVrgequ3ya30wPpws/blZUK8HZpvcCDWpVGx6Sglsj8Xh60HI59M/CSZvamNMhWdDvJM=&so\\_timeout=0](https://www.bourse.lu/Bourse/application? flowId=DownloadDocumentFlow&v=ADyMFy5zxNFitbuuk6wDBshRWa8twRD7Ww5Ng4kU6DgSTTN1EmEroTDI/w3IFH8CItNXOk32OH+3Fd44wRhZXkiPtJTnwUUicvweOnhrVrgequ3ya30wPpws/blZUK8HZpvcCDWpVGx6Sglsj8Xh60HI59M/CSZvamNMhWdDvJM=&so_timeout=0)); (vi) Prospectus dated 8th September, 2009 (pages 61-98 inclusive) (which can be viewed online at [https://www.bourse.lu/Bourse/application? flowId=DownloadDocumentFlow&v=ADyMFy5zxNFitbuuk6wDBrHOMhKXmR08espYDIpcSkZ1oS/B7XkF4V9GmEdBgGyu9P2IsFeE8CxZUSed86k05GTIXXq54CPnkyiGQxM3pDJziEklNyiP68dtevTdfAzX2q1mrwPawU/c0672IHHnD+Q7wmWPDVYjn7l+/Oykuw=&so\\_timeout=0](https://www.bourse.lu/Bourse/application? flowId=DownloadDocumentFlow&v=ADyMFy5zxNFitbuuk6wDBrHOMhKXmR08espYDIpcSkZ1oS/B7XkF4V9GmEdBgGyu9P2IsFeE8CxZUSed86k05GTIXXq54CPnkyiGQxM3pDJziEklNyiP68dtevTdfAzX2q1mrwPawU/c0672IHHnD+Q7wmWPDVYjn7l+/Oykuw=&so_timeout=0)); (vii) Prospectus dated 7th September, 2010 (pages 60-95 inclusive) (which can be viewed online at [https://www.bourse.lu/Bourse/application? flowId=DownloadDocumentFlow&v=ADyMFy5zxNFitbuuk6wDBvpTuJz2944GkvxwAoVDR21L3qEDP7mBT/pX7p3i39kDBEVj37b3VWEqcNjb9POmY7CVzi1h6yDM/p+/KtQJu9kRmwnCNPvkGvITRduu4XaQ5zIE7oru9SPPhOjbbNSxqqLXqE4syBOD2jkkdZR+bq8=&so\\_timeout=0](https://www.bourse.lu/Bourse/application? flowId=DownloadDocumentFlow&v=ADyMFy5zxNFitbuuk6wDBvpTuJz2944GkvxwAoVDR21L3qEDP7mBT/pX7p3i39kDBEVj37b3VWEqcNjb9POmY7CVzi1h6yDM/p+/KtQJu9kRmwnCNPvkGvITRduu4XaQ5zIE7oru9SPPhOjbbNSxqqLXqE4syBOD2jkkdZR+bq8=&so_timeout=0)); (viii) Prospectus dated 7th September, 2011 (pages 67-104 inclusive) (which can be viewed online at [https://www.dnb.no/portalfont/nedlast/en/about-us/ir/funding/emtn\\_programme\\_eur45billion\\_dated\\_september7\\_2011.pdf](https://www.dnb.no/portalfont/nedlast/en/about-us/ir/funding/emtn_programme_eur45billion_dated_september7_2011.pdf)); (ix) Prospectus dated 9th October, 2012 (pages 57-96 inclusive) (which can be viewed online at [https://www.dnb.no/portalfont/nedlast/en/about-us/ir/funding/EMTN\\_PROGRAMME\\_EUR45BILLION\\_dated\\_9\\_october\\_2012.pdf](https://www.dnb.no/portalfont/nedlast/en/about-us/ir/funding/EMTN_PROGRAMME_EUR45BILLION_dated_9_october_2012.pdf)); (x) Prospectus dated 9th October, 2013 (pages 61-106 inclusive) (which can be viewed online at [https://www.dnb.no/portalfont/nedlast/en/about-us/ir/funding/DNB\\_Bank\\_ASA\\_2013\\_Base\\_Prospectus.pdf](https://www.dnb.no/portalfont/nedlast/en/about-us/ir/funding/DNB_Bank_ASA_2013_Base_Prospectus.pdf)); and (xi) Prospectus dated 14th November, 2014 (pages 60-103 inclusive) (which can be viewed online at [https://www.dnb.no/portalfont/nedlast/en/about-us/ir/presentations/2014/DNB\\_Prospectus\\_EMTN\\_program\\_limit\\_EUR\\_45billion\\_14nov2014.pdf](https://www.dnb.no/portalfont/nedlast/en/about-us/ir/presentations/2014/DNB_Prospectus_EMTN_program_limit_EUR_45billion_14nov2014.pdf)).

Any other information not listed in (a) and (b) above but contained in such document is incorporated by reference for information purposes only. Any non-incorporated parts of the prospectuses/offering circulars referred to in (c) above are either not relevant for an investor or are covered elsewhere in this Base Prospectus. Following the publication of this Base Prospectus, a supplement to this Base Prospectus may be prepared by the Issuer and approved by the Central Bank in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus can be obtained upon request, free of charge, from the registered office of the Issuer and the specified office of the Paying Agent for the time being in London.

The Issuer has undertaken to the Dealers in the Programme Agreement (as defined in "Subscription and Sale") that, in the event of any significant new factor, material mistake or inaccuracy relating to the information included in this Base Prospectus which is capable of affecting the assessment of any Notes or any change in the condition of the Issuer which is material in the context of the Programme or the issue of any Notes, the Issuer will prepare and publish a supplement to this Base Prospectus or publish a new prospectus for use in connection with any subsequent issue of Notes.

## GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency, subject as set out herein. An overview of the terms and conditions of the Programme and the Notes is set out in “Overview of the Programme” above. The applicable terms of any Notes will be agreed between the Issuer and the relevant Dealer prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes endorsed on, attached to, or incorporated by reference into, the Notes, as modified by Part A of the applicable Final Terms or, as the case may be, the applicable Pricing Supplement attached to, or endorsed on, such Notes, as more fully described under “Form of the Notes” below.

This Base Prospectus and any supplement to this Base Prospectus will only be valid for listing Notes on the Irish Stock Exchange or any other stock exchange in the European Economic Area or on the SIX Swiss Exchange, in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed €45,000,000,000 or its equivalent in other currencies. For the purpose of calculating the euro equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

- (a) the euro equivalent of Notes denominated in another Specified Currency (as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement in relation to the relevant Notes) shall be determined, at the discretion of the Issuer, either as of the date on which agreement is reached for the issue of Notes or on the preceding day on which commercial banks and foreign exchange markets are open for general business in London, in each case on the basis of the spot rate for the sale of the euro against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading international bank selected by the Issuer on the relevant day of calculation; and
- (b) the euro equivalent of Zero Coupon Notes (as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement in relation to the relevant Notes) and other Notes issued at a discount or a premium shall be calculated in the manner specified above by reference to the net proceeds received by the Issuer for the relevant issue.

## FORM OF THE NOTES

The Notes of each Series will be in bearer form, registered form or, in the case of VPS Notes, uncertificated book-entry form.

### Form of Bearer Notes

#### ***Bearer Notes (other than Swiss Domestic Notes)***

Each Tranche of Bearer Notes (other than Swiss Domestic Notes) will initially be represented by a Temporary Bearer Global Note without Coupons or Talons (each as defined in “Terms and Conditions of the Notes”) which will (i) if the global Notes are intended to be issued in NGN form, as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper for Euroclear and Clearstream, Luxembourg; and (ii) if the global Notes are not intended to be issued in NGN form, be delivered on or prior to the original issue date of the Tranche to a Common Depository for Euroclear and Clearstream, Luxembourg. Interests in the Temporary Bearer Global Note will be exchanged either for interests in a Permanent Bearer Global Note or, where specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement (subject to such notice period as is specified in the Final Terms or, as the case may be, the applicable Pricing Supplement), for definitive Bearer Notes on or after the date (the “**Exchange Date**”) which is the later of (i) 40 days after the Temporary Bearer Global Note is issued and (ii) 40 days after completion of the distribution of the relevant Tranche, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant lead manager (in the case of a syndicated issue). Such exchange will be made only upon delivery of written certification to Euroclear and/or Clearstream, Luxembourg, as the case may be, to the effect that the beneficial owner of such Notes is not a U.S. person or other person who has purchased such Notes for resale to, or on behalf of, U.S. persons and Euroclear and/or Clearstream, Luxembourg, as the case may be, has given a like certification (based on the certification it has received) to the Issuing and Principal Paying Agent.

If an interest or principal payment date for any Notes occurs whilst such Notes are represented by a Temporary Bearer Global Note, the related interest or principal payment will be made only to the extent that certification of non-U.S. beneficial ownership has been received as described in the last sentence of the immediately preceding paragraph unless such certification has already been given. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note is improperly withheld or refused. Payments of principal or interest (if any) on a Permanent Bearer Global Note will be made through Euroclear or Clearstream, Luxembourg (against presentation or surrender, as the case may be, of the Permanent Bearer Global Note if the Permanent Bearer Global Note is not intended to be issued in NGN form) without any further requirement for certification.

Pursuant to the Agency Agreement (as defined under “Terms and Conditions of the Notes” below) the Issuing and Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued, the Notes of such Tranche shall be assigned a common code and ISIN by Euroclear and Clearstream, Luxembourg which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least expiry of the Distribution Compliance Period applicable to the Notes of such Tranche.

The applicable Final Terms or, as the case may be, the applicable Pricing Supplement will specify that either (i) a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, Coupons and Talons attached upon not less than 60 days’ written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Issuing and Principal Paying Agent as described therein or (ii) a Permanent Bearer Global Note (which is not a Swiss Domestic Note) will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, Coupons and Talons attached only upon the occurrence of an Exchange Event as described therein. “**Exchange Event**” means (i) in the case of Unsubordinated

Notes, an Event of Default has occurred and is continuing or, in the case of Subordinated Notes, a payment default has occurred and is continuing, (ii) the Issuer has been notified that either Euroclear or Clearstream, Luxembourg has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing system satisfactory to the Trustee is available, or (iii) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 7 which would not be required were the Notes represented by the Permanent Bearer Global Note in definitive bearer form and a certificate to such effect signed by two Directors of the Issuer has been given to the Trustee. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) or the Trustee may give notice to the Issuing and Principal Paying Agent requesting exchange and in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Issuing and Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 30 days after the date of receipt of the first relevant notice by the Issuing and Principal Paying Agent.

The above exchange option should not be expressed to be applicable if the Specified Denomination of the Notes includes language substantially to the following effect: “€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000”. Furthermore, such Specified Denomination construction is not permitted in relation to any issuance of Notes which is to be represented on issue by Temporary Bearer Global Notes exchangeable for Definitive Notes.

### **Swiss Domestic Notes**

Swiss Domestic Notes will be issued in bearer form and will be represented upon issue by a Swiss Global Note. The Swiss Global Note shall be signed by the Issuer and authenticated by or on behalf of the Swiss Principal Paying Agent.

The Swiss Global Note will be deposited by the Swiss Principal Paying Agent on or about the issue date of the Tranche with the Intermediary in accordance with standard Swiss market practice until final redemption of the Swiss Domestic Notes or the printing of definitive Bearer Notes in respect thereof. Payments of principal, interest (if any) or any other amounts on a Swiss Global Note will be made through the Intermediary without any requirement for certification.

Once the Swiss Global Note is deposited with the Intermediary and the accounts of one or more participants of the Intermediary have been credited in accordance therewith, the Swiss Domestic Notes will constitute intermediated securities (*Bucheffekten*) (“**Intermediated Securities**”) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Each Noteholder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Swiss Global Note to the extent of his claim against the Issuer, provided that, for so long as the Swiss Global Note remains deposited with the Intermediary, the co-ownership interest shall be suspended and the Swiss Domestic Notes may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e., by the entry of the transferred Swiss Domestic Notes in a securities account of the transferee.

The records of the Intermediary will determine the number of Swiss Domestic Notes held through each participant in that Intermediary. In respect of Swiss Domestic Notes held in the form of Intermediated Securities, the holders of the Swiss Domestic Notes will be the persons holding such Swiss Domestic Notes in a securities account in their own name, or in the case of Intermediaries, the Intermediaries holding the Swiss Domestic Notes for their own account in a securities account which is in their name. The terms “**Noteholder**” and “**holder**” of Swiss Domestic Notes and related expressions as used herein and in the Trust Deed shall, in relation to any such Swiss Domestic Notes held in the form of Intermediated Securities, be construed accordingly, other than with respect to the payment of principal or interest on Swiss Domestic Notes, for which purpose the bearer of the Swiss Global Note shall be treated as the holder of such Swiss Domestic Notes in accordance with and subject to the terms of the relevant Swiss Global Note.

Holders of Swiss Domestic Notes do not have the right to request the printing and delivery of definitive Bearer Notes. Interests in the Swiss Global Note will be exchangeable, in whole but not in part, for definitive Bearer Notes if the Swiss Principal Paying Agent (i) determines that the presentation of definitive Bearer Notes is required by Swiss or other applicable laws and regulations in connection with the enforcement of rights or (ii) deems the printing and delivery of definitive Bearer Notes to be useful or desirable for any other reason. Should the Swiss Principal Paying Agent so determine, it shall provide for the printing of definitive Bearer Notes without cost to the holders. Upon delivery of the definitive Bearer Notes, the Swiss Global Note will be cancelled and the definitive Bearer Notes shall be delivered to the holders against cancellation of the Swiss Domestic Notes in the holders' securities accounts.

### **General provisions applicable to Bearer Notes**

The following legend will appear on all Bearer Notes, Coupons and Talons which have an original maturity of more than one year (other than Temporary Bearer Global Notes):

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

The sections referred to provide that United States persons, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes, Coupons or Talons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Bearer Notes, Coupons or Talons.

### **Form of Registered Notes**

Unless otherwise provided with respect to a particular Series of Registered Notes, the Registered Notes of each Tranche of such Series offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will initially be represented by a Reg. S Global Note which will either (i) be deposited with a custodian for, and registered in the name of a nominee of, DTC for the accounts of Euroclear and Clearstream, Luxembourg for the accounts of their respective participants or (ii) be deposited with a common depository or common safekeeper, as the case may be for Euroclear and Clearstream, Luxembourg, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper, as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement. Prior to expiry of the Distribution Compliance Period applicable to each Tranche of Notes, beneficial interests in a Reg. S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 11 and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Reg. S Global Note will bear a legend regarding such restrictions on transfer.

Registered Notes of each Tranche of such Series may only be offered and sold in the United States or to U.S. persons in private transactions: (i) to QIBs; or (ii) to Institutional Accredited Investors who agree to purchase the Notes for their own account and not with a view to the distribution thereof. The Registered Notes of each Tranche sold to QIBs will be represented by a Restricted Global Note which will be deposited with a custodian for, and registered in the name of a nominee of, DTC.

Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

The Registered Notes of each Tranche sold to Institutional Accredited Investors will be in definitive form, registered in the name of the holder thereof. The Restricted Global Note and the Registered Notes in definitive form issued to Institutional Accredited Investors will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

Payments of principal on the Registered Notes will be made on the relevant payment date to the persons shown on the Register at the close of business on the business day (being for this

purpose a day on which banks are open for business in Brussels) immediately prior to the relevant payment date. Payments of interest on the Registered Notes will be made on the relevant payment date to the person in whose name such Notes are registered on the Record Date (as defined in Condition 5(c)) immediately preceding such payment date.

Payments of the principal of, and interest (if any) on, the Registered Global Notes will be made to the person shown on the register as the registered holder of the Registered Global Notes. None of the Issuer, the Issuing and Principal Paying Agent, any Paying Agent and the Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

No beneficial owner of an interest in a Registered Global Note will be able to exchange or transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and Clearstream, Luxembourg, in each case to the extent applicable.

### **Form of VPS Notes**

Each Tranche of VPS Notes will be issued in uncertificated and dematerialised book-entry form. Legal title to the VPS Notes will be evidenced by book entries in the records of the VPS. Issues of VPS Notes will be constituted by the Trust Deed. On the issue of such VPS Notes, the Issuer will send a letter to the Trustee, with copies sent to the Issuing and Principal Paying Agent and the VPS Account Manager (the “**VPS Letter**”), which letter will set out the terms of the relevant issue of VPS Notes in the form of Final Terms or, as the case may be, in the form of Pricing Supplement attached thereto. On notification to the VPS Account Manager of the subscribers and their VPS account details by the relevant Dealer, the VPS Account Manager will credit each subscriber's subscribing account holder with the VPS with a nominal amount of VPS Notes equal to the nominal amount thereof for which it has subscribed and paid.

Settlement of sale and purchase transactions in respect of VPS Notes in the VPS will take place three Oslo business days after the date of the relevant transaction. Transfers of interests in the relevant VPS Notes will take place in accordance with the rules and procedures for the time being of the VPS.

### **General**

Save as provided in the “Terms and Conditions of the Notes” in respect of Swiss Domestic Notes, for so long as any of the Notes is represented by a global Note held on behalf of Euroclear and/or Clearstream, Luxembourg or so long as DTC or its nominee is the registered holder of a Registered Global Note or so long as the Note is a VPS Note, each person (other than Euroclear or Clearstream, Luxembourg or DTC or the VPS, as the case may be) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg or DTC or the VPS, as the case may be, as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by such clearing system as to the nominal amount of such Notes standing to the account of any person shall, save in the case of manifest error, be conclusive and binding for all purposes, including any form of statement or print out of electronic records provided by the relevant clearing system in accordance with its usual procedures and in which the holder of a particular nominal amount of such Notes is clearly identified together with the amount of such holding) shall be treated by the Issuer, the Trustee, the Issuing and Principal Paying Agent and any other Paying Agent as the holder of such nominal amount of such Notes for all purposes other than (in the case only of Notes not being VPS Notes) with respect to the payment of principal or interest on the Notes, for which purpose, in the case of Notes represented by a Bearer Global Note, the bearer of the relevant Bearer Global Note, in the case of Registered Global Notes, the registered holder or, in the case of Notes where DTC or its nominee is the registered holder of a Registered Global Note, DTC or its nominee shall be treated by the Issuer, the Trustee, the Issuing and Principal Paying Agent and any other Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant global Note (and the expressions “**Noteholder**” and “**holder of Notes**” and related expressions shall be construed accordingly).

Notes which are represented by a global Note and VPS Notes will only be transferable in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg and/or DTC and/or the Intermediary, as applicable.

Any reference herein to Euroclear and/or Clearstream, Luxembourg and/or DTC and/or the Intermediary and/or the VPS shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Trustee and the Issuing and Principal Paying Agent.

No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and the failure shall be continuing.

The Issuer has entered into an agreement with the ICSDs in respect of any Notes issued in NGN form or to be held under the New Safekeeping Structure (“**NSS**”) that the Issuer may request be made eligible for settlement with the ICSDs (the “**Issuer-ICSDs Agreement**”). The Issuer-ICSDs Agreement provides that the ICSDs will, in respect of any such Notes, *inter alia*, maintain records of their respective portion of the issue outstanding amount and will, upon the Issuer’s request, produce a statement for the Issuer’s use showing the local nominal amount of its customer holdings of such Notes as of a specified date.

Where the global Notes issued in respect of any Tranche are in NGN form or are to be held under the NSS, the applicable Final Terms or, as the case may be, the applicable Pricing Supplement will also indicate whether such global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon the ECB being satisfied that the Eurosystem eligibility criteria have been met.

## FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes which are not Exempt Notes issued under the Programme.

[Date]

### DNB Bank ASA

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

under the  
€45,000,000,000 Euro Medium Term Note Programme

### PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [date] [and the supplement[s] to the Base Prospectus dated [date]] which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in a relevant Member State of the European Economic Area (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus [as so supplemented]. Full information on DNB Bank ASA (the “**Issuer**”) and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. These Final Terms, the Base Prospectus [and the supplement[s]] [has] [have] been published on the website of the [Central Bank of Ireland at <http://www.centralbank.ie/securities-markets/prospectus/Pages/approvedprospectus.aspx>] [Irish Stock Exchange [www.ise.ie](http://www.ise.ie).]

*(The following alternative language applies if the first Tranche of a Series which is being increased was issued under a Base Prospectus with an earlier date.)*

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated [original date] which are incorporated by reference in the Base Prospectus dated [date]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in a relevant Member State of the European Economic Area (the “**Prospectus Directive**”) and must be read in conjunction with the Base Prospectus dated [date] [and the supplement[s] to the Base Prospectus dated [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, including the Conditions incorporated by reference in the Base Prospectus. Full information on DNB Bank ASA (the “**Issuer**”) and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. These Final Terms, the Base Prospectus [and the supplement[s]] [has] [have] been published on the website of the [Central Bank of Ireland at <http://centralbank.ie/securities-market/prospectus/Pages/approvedprospectus.aspx>] [Irish Stock Exchange [www.ise.ie](http://www.ise.ie).]

*(Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.)*

- |    |                                       |   |
|----|---------------------------------------|---|
| 1. | Issuer:                               | DNB Bank ASA  |
| 2. | (i) Series Number:                    | [ ]   |
|    | (ii) Tranche Number:                  | [ ]   |
|    | (iii) Date on which the Notes will be | The Notes will be consolidated and form a single Series |

- consolidated and form a single Series:
- with (*identify earlier Tranches*) on [the Issue Date/exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in paragraph [ ] below, which is expected to occur on or about (*date*)] [Not Applicable]
3. Specified Currency or Currencies: [ ]
4. Aggregate Nominal Amount:  
Series: [ ]  
Tranche: [ ]
5. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from (*insert date*) (*if applicable*)]
6. (i) Specified Denomination(s): [ ] [and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].]
- (*N.B. Include the wording in square brackets above, where Bearer Notes are being issued which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount*)
- (*In the case of Registered Notes, this means the minimum integral amount in which transfers can be made*)
- (ii) Calculation Amount: [ ]
7. (i) Issue Date: [ ]
- (ii) Interest Commencement Date: [*specify/Issue Date/Not Applicable*]  
(*N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.*)
8. Maturity Date: (*Fixed rate or reset rate – specify date/Floating Rate – Interest Payment Date falling in or nearest to (specify month)*)
9. Interest Basis: [[ ] per cent. Fixed Rate]  
[[ ] month  
[LIBOR/EURIBOR/STIBOR/NIBOR/CIBOR/TIBOR/HIBOR/SIBOR] +/- [ ] per cent. Floating Rate]  
[Floating Rate: CMS Linked Interest]  
[Reset Notes]  
[Zero Coupon]  
(further particulars specified below)

10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100] per cent. / [ ] per cent. of their nominal amount
11. Change of Interest Basis: *(Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 14 and 15 below and identify there)* [Not Applicable]
12. Put/Call Options: [Investor Put]  
[Issuer Call]  
[(further particulars specified below)]
13. Status of the Notes: [Unsubordinated/  
Subordinated]
- (If Subordinated Notes include:)*
- (i) Redemption upon occurrence of Capital Event and amounts payable on redemption therefor: [Applicable – Condition 6(j) applies/Not Applicable *(If applicable, specify the amount payable on redemption for a Capital Event)*]
- (ii) Substitution or variation: [Applicable – Condition 6(k) applies/Not Applicable]

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14. Fixed Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date  
*(Amend appropriately in the case of irregular coupons)*
- (iii) Fixed Coupon Amount(s): [[ ] per Calculation Amount] [Not Applicable]
- (iv) Broken Amount(s): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]] [Not Applicable]
- (v) Day Count Fraction: [Actual/Actual (ICMA)]/[30/360]
- (vi) Determination Date(s): [[ ] in each year] [Not Applicable]
15. Floating Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [ ]
- (ii) First Interest Payment Date: [ ]
- (iii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day

- Convention/Preceding Business Day Convention]
- (iv) Additional Business Centre(s): [ ]/[Not Applicable]
- (v) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (vi) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [ ]/[Not Applicable]
- (vii) Screen Rate Determination:
- Reference Rate and Relevant Financial Centre: Reference Rate: [[ ] month [LIBOR/EURIBOR/STIBOR/NIBOR/CIBOR/TIBOR/HIBOR/SIBOR]]/[CMS Reference Rate/Leveraged CMS Reference Rate/Steepner CMS Reference Rate: [Unleveraged/Leveraged]/Call CMS Reference Rate]
  - Relevant Financial Centre: [London/Brussels/Stockholm/Oslo/Copenhagen/Tokyo/Hong Kong/Singapore]
  - Reference Currency: [ ]
  - Designated Maturity: [ ]/[The CMS Rate having a Designated Maturity of [ ] shall be “**CMS Rate 1**” and the CMS Rate having a Designated Maturity of [ ] shall be “**CMS Rate 2**”]  
(Where more than one CMS Rate, specify the Designated Maturity for each relevant CMS Rate)
  - Specified Time: [ ] in the Relevant Financial Centre
  - Interest Determination Date(s): [ ]
- (In the case of LIBOR (other than Sterling or Euro LIBOR)): [Second London business day prior to the start of each Interest Period]
- (In the case of Sterling LIBOR): [First day of each Interest Period]
- (In the case of Euro LIBOR or EURIBOR): [Second day on which the TARGET2 System is open prior to the start of each Interest Period]
- (In the case of STIBOR): [Second Stockholm business day prior to the start of each Interest Period]
- (In the case of NIBOR): [Second Oslo business day prior to the start of each Interest Period]
- (In the case of CIBOR): [First day of each Interest Period]
- (In the case of TIBOR): [Second Tokyo business day prior to the start of each Interest Period]

(In the case of HIBOR): [First day of each Interest Period]

(In the case of SIBOR): [Second Singapore business days prior to the start of each Interest Period]

(In the case of a CMS Rate where the Reference Currency is euro): [Second day on which the TARGET2 system is open prior to the start of each interest Period]

(In the case of a CMS Rate where the Reference Currency is other than euro): [Second (specify type of day) prior to the start of each Interest Period]

– Relevant Screen Page: [ ]  
(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fall back provisions appropriately)

(In the case of a CMS Linked Interest Note, specify relevant screen page and any applicable headings and captions)

– CMS Rate definitions: [Cap means [ ] per cent. per annum]

[Floor means [ ] per cent. per annum]

[Leverage means [ ] per cent.]

(viii) ISDA Determination

– Floating Rate Option: [ ]

– Designated Maturity: [ ]

– Reset Date: [ ]

(In the case of a LIBOR or EURIBOR based option, the first day of the Interest Period. In the case of a CMS Linked Interest Note, if based on euro then the first day of each Interest Period and if otherwise to be checked)

(ix) Linear Interpolation: [Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)]

(x) Margin(s): [+/-] [ ] per cent. per annum

(xi) Minimum Rate of Interest: [ ] per cent. per annum

(xii) Maximum Rate of Interest: [ ] per cent. per annum

(xiii) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual]  
[Actual/365 (Fixed)]  
[Actual/365 (Sterling)]  
[Actual/360]  
[30/360] [360/360] [Bond Basis]

		[30E/360] [Eurobond Basis] [30E/360 (ISDA)]
16.	Reset Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Initial Rate of Interest:	[ ] per cent. per annum payable in arrear on each Interest Payment Date
	(ii) Initial Mid-Swap Rate:	[ ] per cent.
	(iii) First Reset Margin:	[+/-][ ] per cent. per annum
	(iv) Subsequent Reset Margin:	[[+/-][ ] per cent. per annum]/[Not Applicable]
	(v) Interest Payment Date(s):	[ ] in each year up to and including the Maturity Date
	(vi) Fixed Coupon Amount up to (but excluding) the First Reset Date:	[[ ] per Calculation Amount][Not Applicable]
	(vii) Broken Amount(s) up to (but excluding) the First Reset Date:	[ ] per Calculation Amount payable on the Interest Payment Date falling on [ ] [Not Applicable]
	(viii) First Reset Date:	[ ]
	(ix) Second Reset Date:	[[ ]/[Not Applicable]
	(x) Subsequent Reset Date(s):	[[ ] [and [ ]]/[Not Applicable]
	(xi) Relevant Screen Page:	[ ]
	(xii) Mid-Swap Rate:	[Single Mid-Swap Rate/Mean Mid-Swap Rate]
	(xiii) Mid-Swap Rate Conversion:	[Applicable/Not Applicable]
		<i>(If not applicable, delete the remaining sub-paragraph of this paragraph)</i>
	- Original Mid-Swap Rate Basis:	[Annual/Semi-annual/Quarterly/Monthly]
	(xiv) Mid-Swap Floating Leg Maturity:	[ ]
	(xv) Reset Determination Date(s):	[ ]
		<i>(Specify in relation to each Reset Date)</i>
	(xvi) Specified Time:	[ ]
	(xvii) Day Count Fraction:	[Actual/Actual (ICMA)]/[30/360]
	(xviii) Calculation Agent:	[ ]/[Not Applicable]
17.	Zero Coupon Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Accrual Yield:	[ ] per cent. per annum

(ii) Reference Price: [ ]

(iii) Day Count Fraction in relation to [30/360]

Early Redemption Amounts:

[Actual/360]

[Actual/365]

*(Consider applicable day count fraction if not U.S. dollar denominated)*

## PROVISIONS RELATING TO REDEMPTION

18. Issuer Call

[Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Optional Redemption Date(s): [ ]

(ii) Optional Redemption Amount(s): [ ] per Calculation Amount

(iii) If redeemable in part:

(a) Minimum Redemption Amount: [ ]

(b) Higher Redemption Amount: [ ]

(iv) Notice period if other than as set out in Condition 6(c): [ ]

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*

19. Investor Put

[Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Optional Redemption Date(s): [ ]

(ii) Optional Redemption Amount(s): [ ] per Calculation Amount

20. Final Redemption Amount: [ ] per Calculation Amount

21. Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default: [ ] per Calculation Amount

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

22. Form of Notes:

(i) Form: [Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Bearer Notes [on not less than 60 days' notice given at any time/only upon an Exchange Event]]

[Temporary Bearer Global Note exchangeable for Definitive Bearer Notes on and after the Exchange Date]]

[Reg. S Global Note registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]]

[Restricted Global Note registered in the name of a nominee for DTC]

[Definitive Registered Notes]

[VPS Notes issued in uncertificated book-entry form]

(ii) New Global Note: [Yes] [No]

23. Additional Financial Centre(s): [Not Applicable/*give details*]  
*(Note that this paragraph relates to the place of payment, and not Interest Period end dates to which sub-paragraph 15(iv) relates)*

24. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form more than 27 coupon payments are still to be made/No]

Signed on behalf of DNB Bank ASA:

By: .....  
*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING:

- (i) Listing and admission to trading: *[Insert name of stock exchange on which listing has been, or will be, obtained, for example “The Official List of the Irish Stock Exchange”]*

*[Application has been made for the Notes to be admitted to trading on [insert name of EEA regulated market, for example “the regulated market of the Irish Stock Exchange”] with effect from [ ]]*

*(Where documenting a fungible issue use:)*

*[The original Notes were admitted to trading on the regulated market of the [Irish Stock Exchange] [specify other] and admitted to the official list of the [Irish Stock Exchange] [specify other] on [ ].]*

- (ii) Estimate of total expenses related to admission to trading: [ ]

### 2. RATINGS:

*[The Notes to be issued [[have been]/[are expected to be]] rated (insert details) by (insert credit rating agency name(s) and associated defined terms). Each of (defined terms) is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the “CRA Regulation”).]*

*[(The above disclosure should reflect the rating allocated to Notes issued under the Programme generally or, where the issue has been specifically rated, that rating.)]*

*[(Insert credit rating agency) is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]*

*[(Insert credit rating agency) is established in the European Union and is registered under Regulation (EC) No. 1060/2009.]*

*[(Insert credit rating agency) is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009.]*

*[(Insert credit rating agency) is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009. However, the application for registration under Regulation (EC) No. 1060/2009 of (insert the name of the relevant EU CRA affiliate that applied for registration), which is established in the European Union, disclosed the intention to endorse credit ratings of (insert credit*

rating agency).]

[(Insert credit rating agency) is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009. The ratings [[have been]/[are expected to be]] endorsed by (insert the name of the relevant EU-registered credit rating agency) in accordance with Regulation (EC) No. 1060/2009. (Insert the name of the relevant EU-registered credit rating agency) is established in the European Union and registered under Regulation (EC) No. 1060/2009.]

[(Insert credit rating agency) is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009, but it is certified in accordance with such Regulation.]

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE:**

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.] (Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest.)

(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

4. **YIELD:** (Fixed Rate Notes and Reset Notes only)

Indication of yield: [ ]

5. **OPERATIONAL INFORMATION:**

(i) ISIN Code: [ ]

(ii) Common Code: [ ]

(iii) CUSIP Number: [ ] [Not Applicable]

(iv) Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking, *société anonyme* and SIS and the relevant identification number(s): [Not Applicable/(give name(s) and number(s))/Verdipapirsentralen, Norway. VPS identification number: [ ]. The Issuer shall be entitled to obtain certain information from the register maintained by the VPS for the purposes of performing its obligations under the issue of VPS Notes]

(v) Delivery: Delivery [against/free of] payment

(vi) Names and addresses of additional Paying Agent(s) (if any): [ ] [Not Applicable]

(vii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common

safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the NSS,] (*include this text for Registered Notes which are to be held under the NSS*) and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that the Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the NSS] (*include this text for Registered Notes which are to be held under the NSS*). Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that the Eurosystem eligibility criteria have been met.]]

*(If “yes” is specified above, Bearer Notes must be issued in NGN form)*

**6. DISTRIBUTION:**

- (i) If syndicated, names of Managers: [Not Applicable/*give names*]
- (ii) Date of Subscription Agreement: [ ] [Not Applicable]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/*give name(s)*]
- (iv) If non-syndicated, name of relevant Dealer: [Not Applicable/*give name*]
- (v) U.S. Selling Restrictions: [TEFRA D/TEFRA C/TEFRA not applicable]

*(N.B. VPS Notes must be issued in compliance with TEFRA C unless TEFRA is not applicable)*

- [(vi) Whether sales to QIBs under Rule 144A and/or private placement sales to Institutional Accredited Investors in the United States are permitted to be made:] [Yes: Rule 144A only/Rule 144A and Institutional Accredited Investors/No]

**7. THIRD PARTY INFORMATION:**

[[ ] has been extracted from [ ]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information

inaccurate or misleading.)/[Not Applicable]

8. **USE OF PROCEEDS:**

[As specified in the Base Prospectus/[ ] ]

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Notes issued under the Programme.

[Date]

**DNB Bank ASA**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**

**under the  
€45,000,000,000 Euro Medium Term Note Programme**

**PART A – CONTRACTUAL TERMS**

This document constitutes the Pricing Supplement of the Notes described herein. This document must be read in conjunction with the Base Prospectus dated [date] [and the supplement[s] to the Prospectus dated [date]] (the “**Base Prospectus**”). Full information on DNB Bank ASA (the “**Issuer**”) and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. Copies of the Base Prospectus may be obtained from [address].

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus [dated [original date] which are incorporated by reference in the Base Prospectus].<sup>1</sup>

*(Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.)*

- |    |  |  |
|----|--|--|
| 1. | Issuer:  | DNB Bank ASA   |
| 2. | (i) Series Number:   | [ ]  |
|    | (ii) Tranche Number:   | [ ]  |
|    | (iii) Date on which the Notes will be consolidated and form a single Series: | The Notes will be consolidated and form a single Series with ( <i>identify earlier Tranches</i> ) on [the Issue Date/exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in paragraph [ ] below, which is expected to occur on or about ( <i>date</i> )] [Not Applicable] |
| 3. | Specified Currency or Currencies:  | [ ]  |
| 4. | Aggregate Nominal Amount:  |  |
|    | [Series:   | [ ]  |
|    | [Tranche:  | [ ]  |
| 5. | Issue Price:   | [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from ( <i>insert date</i> ) ( <i>if applicable</i> )]   |
| 6. | (i) Specified Denomination(s):   | [ ] [and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in  |

<sup>1</sup> Only include this language where it is a fungible issue and the original Tranche was issued under a Prospectus with a different date.

definitive form will be issued with a denomination above [€199,000].]

*(N.B. Include the wording in square brackets above, where Bearer Notes are being issued which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount)*

*(In the case of Registered Notes, this means the minimum integral amount in which transfers can be made)*

- (ii) Calculation Amount: [ ]
7. (i) Issue Date: [ ]
- (ii) Interest Commencement Date: [specify/Issue Date/Not Applicable]  
*(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
8. Maturity Date: *(Fixed rate or reset rate – specify date/Floating Rate – Interest Payment Date falling in or nearest to (specify month))*
9. Interest Basis: [[ ] per cent. Fixed Rate]  
[[ ] month [LIBOR/EURIBOR/STIBOR/  
NIBOR/CIBOR/TIBOR/HIBOR/SIBOR/other] +/-  
[ ] per cent. Floating Rate]  
[Floating Rate: CMS Linked Interest]  
[Reset Notes]  
[Zero Coupon]  
(further particulars specified below)
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100] per cent. / [ ] per cent. of their nominal amount
11. Change of Interest Basis: *(Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 14 and 15 below and identify there)* [Not Applicable]
12. Put/Call Options: [Investor Put]  
[Issuer Call]  
[(further particulars specified below)]
13. Status of the Notes: [Unsubordinated/  
Subordinated]
- (If Subordinated Notes include:)*
- (i) Redemption upon occurrence of Capital Event and amounts payable on redemption therefor: [Applicable – Condition 6(j) applies/Not Applicable *(If applicable, specify the amount payable on redemption for a Capital Event)*]
- (ii) Substitution or variation: [Applicable – Condition 6(k) applies/Not Applicable]

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date  
*(Amend appropriately in the case of irregular coupons)*
- (iii) Fixed Coupon Amount(s): [[ ] per Calculation Amount] [Not Applicable]
- (iv) Broken Amount(s): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]] [Not Applicable]
- (v) Day Count Fraction: [Actual/Actual (ICMA)]/[30/360]
- (vi) Determination Date(s): [[ ] in each year] [Not Applicable]
15. Floating Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [ ]
- (ii) First Interest Payment Date: [ ]
- (iii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (iv) Additional Business Centre(s): [ ]/[Not Applicable]
- (v) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (vi) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [ ]/[Not Applicable]
- (vii) Screen Rate Determination:
- Reference Rate and Relevant Financial Centre: Reference Rate: [[ ] month [LIBOR/EURIBOR/STIBOR/NIBOR/CIBOR/TIBOR/HIBOR/SIBOR]]/[CMS Reference Rate/Leveraged CMS Reference Rate/Steepner CMS Reference Rate: [Unleveraged/Leveraged]/Call CMS Reference Rate]
- Relevant Financial Centre: [London/Brussels/Stockholm/Oslo/Copenhagen/Tokyo/Hong Kong/Singapore]

Reference Currency: [ ]

Designated Maturity: [ ]/[The CMS Rate having a Designated Maturity of [ ] shall be “**CMS Rate 1**” and the CMS Rate having a Designated Maturity of [ ] shall be “**CMS Rate 2**”]

*(Where more than one CMS Rate, specify the Designated Maturity for each relevant CMS Rate)*

Specified Time: [ ] in the Relevant Financial Centre

– Interest Determination Date(s):

[ ]

*(In the case of LIBOR (other than Sterling or Euro LIBOR)):* [Second London business day prior to the start of each Interest Period]

*(In the case of Sterling LIBOR):* [First day of each Interest Period]

*(In the case of Euro LIBOR or EURIBOR):* [Second day on which the TARGET2 System is open prior to the start of each Interest Period]

*(In the case of STIBOR):* [Second Stockholm business day prior to the start of each Interest Period]

*(In the case of NIBOR):* [Second Oslo business day prior to the start of each Interest Period]

*(In the case of CIBOR):* [First day of each Interest Period]

*(In the case of TIBOR):* [Second Tokyo business day prior to the start of each Interest Period]

*(In the case of HIBOR):* [First day of each Interest Period]

*(In the case of SIBOR):* [Second Singapore business days prior to the start of each Interest Period]

*(In the case of a CMS Rate where the Reference Currency is euro):* [Second day on which the TARGET2 system is open prior to the start of each interest Period]

*(In the case of a CMS Rate where the Reference Currency is other than euro):* [Second (specify type of day) prior to the start of each Interest Period]

– Relevant Screen Page:

[ ]

*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fall back provisions appropriately)*

*(In the case of a CMS Linked Interest Note, specify relevant screen page and any applicable headings and captions)*

	– CMS Rate definitions:	[Cap means [ ] per cent. per annum] [Floor means [ ] per cent. per annum] [Leverage means [ ] per cent.]
(viii)	ISDA Determination	
	– Floating Rate Option:	[ ]
	– Designated Maturity:	[ ]
	– Reset Date:	[ ]
		<i>(In the case of a LIBOR or EURIBOR based option, the first day of the Interest Period. In the case of a CMS Linked Interest Note, if based on euro then the first day of each Interest Period and if otherwise to be checked)</i>
(ix)	Linear Interpolation:	[Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation ( <i>specify for each short or long interest period</i> )]
(x)	Margin(s):	[+/-] [ ] per cent. per annum
(xi)	Minimum Rate of Interest:	[ ] per cent. per annum
(xii)	Maximum Rate of Interest:	[ ] per cent. per annum
(xiii)	Day Count Fraction:	[Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
16.	Reset Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Initial Rate of Interest:	[ ] per cent. per annum payable in arrear on each Interest Payment Date
(ii)	Initial Mid-Swap Rate:	[ ] per cent.
(iii)	First Reset Margin:	[+/-][ ] per cent. per annum
(iv)	Subsequent Reset Margin:	[[+/-][ ] per cent. per annum]/[Not Applicable]
(v)	Interest Payment Date(s):	[ ] in each year up to and including the Maturity Date
(vi)	Fixed Coupon Amount up to (but excluding) the First Reset Date:	[[ ] per Calculation Amount]/[Not Applicable]
(vii)	Broken Amount(s) up to (but excluding) the First Reset Date:	[ ] per Calculation Amount payable on the Interest Payment Date falling on [ ] [Not Applicable]

- (viii) First Reset Date: [ ]
- (ix) Second Reset Date: [ ]
- (x) Subsequent Reset Date(s): [[ ] [and [ ]]/[Not Applicable]
- (xi) Relevant Screen Page: [ ]
- (xii) Mid-Swap Rate: [Single Mid-Swap Rate/Mean Mid-Swap Rate]
- (xiii) Mid-Swap Rate Conversion: [Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraph of this paragraph)*

- Original Mid-Swap Rate Basis: [Annual/Semi-annual/Quarterly/Monthly]

(xiv) Mid-Swap Floating Leg Maturity: [ ]

(xv) Reset Determination Date(s): [ ]

*(Specify in relation to each Reset Date)*

(xvi) Specified Time: [ ]

(xvii) Day Count Fraction: [Actual/Actual (ICMA)]/[30/360]

(xviii) Calculation Agent: [ ]/[Not Applicable]

17. Zero Coupon Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Accrual Yield: [ ] per cent. per annum

(ii) Reference Price: [ ]

(iii) Day Count Fraction in relation to [30/360]

Early Redemption Amounts:

[Actual/360]

[Actual/365]

*(Consider applicable day count fraction if not U.S. dollar denominated)*

**PROVISIONS RELATING TO REDEMPTION**

18. Issuer Call [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Optional Redemption Date(s): [ ]

(ii) Optional Redemption Amount(s): [ ] per Calculation Amount

(iii) If redeemable in part:

- (a) Minimum Redemption Amount: [ ]
- (b) Higher Redemption Amount: [ ]
- (iv) Notice period if other than as set out in Condition 6(c): [ ]

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*

19. Investor Put [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s): [ ] per Calculation Amount
20. Final Redemption Amount: [ ] per Calculation Amount
21. Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default: [ ] per Calculation Amount

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

22. Form of Notes:
- (i) Form: [Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Bearer Notes [on not less than 60 days' notice given at any time/only upon an Exchange Event]]
- [Temporary Bearer Global Note exchangeable for Definitive Bearer Notes on and after the Exchange Date on [ ] days' notice given at any time]]
- [Swiss Global Note]
- [Reg. S Global Note ([ ] nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]]
- [Restricted Global Note ([ ] nominal amount) registered in the name of a nominee for DTC]
- [Definitive Registered Notes]
- [VPS Notes issued in uncertificated book-entry form]

- |      |   |  |
|------|---|--|
| (ii) | New Global Note:  | [Yes] [No]   |
| 23.  | Additional Financial Centre(s):                               | [Not Applicable/ <i>give details</i> ]<br><i>(Note that this paragraph relates to the place of payment, and not Interest Period end dates to which sub-paragraph 15(iv) relates)</i> |
| 24.  | Talons for future Coupons to be attached to Definitive Notes: | [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]             |
| 25.  | Other final terms:  | [Not Applicable/ <i>give details</i> ]   |

**[RESPONSIBILITY]**

The Issuer accepts responsibility for the information contained in this Pricing Supplement. *[[Relevant third party information]* has been extracted from *[specify source]*. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by *[specify source]*, no facts have been omitted which would render the reproduced information inaccurate or misleading.]]

Signed on behalf of DNB Bank ASA:

By: .....  
*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING:

Listing and admission to trading:

[Application has been made for the Notes to be admitted to trading on the standard for bonds of the SIX Swiss Exchange with effect from [ ]. The last trading day is expected to be (*third business day prior to the Maturity Date*).

Application for definitive listing on the standard for bonds of the SIX Swiss Exchange will be made as soon as practicable and, if granted, will only be granted after the Issue Date.

#### *Representation*

In accordance with Article 43 of the Listing Rules of the SIX Swiss Exchange, [ ] has been appointed by the Issuer as representative to lodge the listing application with the SIX Exchange Regulation.

#### *Documents Available*

Copies of this Pricing Supplement and the Base Prospectus are available at [ ].]

*(Need to include for Notes listed on the SIX Swiss Exchange)*

[Not Applicable]

### 2. RATINGS:

[The Notes to be issued [[have been]/[are expected to be]] rated [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies)*]

*(The above disclosure is only required if the ratings of the Notes are different to those stated in the Base Prospectus)*

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE:

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.] (*Amend as appropriate if there are other interests*)

### 4. USE OF PROCEEDS:

[As specified in the Base Prospectus]/[ ]

### 5. OPERATIONAL INFORMATION:

(i) ISIN Code: [ ]

(ii) Common Code: [ ]

- (iii) Swiss Security Number: [     ]
- (iv) CUSIP Number: [     ] [Not Applicable]
- (v) Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking, *société anonyme* and SIS and the relevant identification number(s): [Not Applicable/(give name(s) and number(s))/Verdipapirsentralen, Norway. VPS identification number: [     ]. The Issuer shall be entitled to obtain certain information from the register maintained by the VPS for the purposes of performing its obligations under the issue of VPS Notes]
- (vi) Delivery: Delivery [against/free of] payment
- (vii) Names and addresses of additional Paying Agent(s) (including, in the case of Swiss Domestic Notes, the Swiss Paying Agent(s)) (if any): [     ] [Not Applicable]
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the NSS,] (*include this text for Registered Notes which are to be held under the NSS*) and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that the Eurosystem eligibility criteria have been met.]
- [No. Whilst the designation is specified as “no” at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the NSS] (*include this text for Registered Notes which are to be held under the NSS*). Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that the Eurosystem eligibility criteria have been met.]]
- (*If “yes” is specified above, Bearer Notes must be issued in NGN form*)

## 6. DISTRIBUTION:

- (i) If syndicated, names of Managers: [Not Applicable/give names]

- (ii) Date of Subscription Agreement: [ ] [Not Applicable]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/give name(s)]
- (iv) If non-syndicated, name of relevant Dealer: [Not Applicable/give name]
- (v) U.S. Selling Restrictions: [TEFRA D/TEFRA D (Swiss Exemption)/TEFRA C/TEFRA not applicable]
- (N.B. TEFRA D (Swiss Exemption) is available for Swiss Domestic Notes only)*
- (N.B. VPS Notes must be issued in compliance with TEFRA C)*
- [(vi) Whether sales to QIBs under Rule 144A and/or private placement sales to Institutional Accredited Investors in the United States are permitted to be made:] [Yes: Rule 144A only/Rule 144A and Institutional Accredited Investors/No]

**7. [INFORMATION IN RELATION TO SWISS DOMESTIC NOTES AND NOTES LISTED ON THE SIX SWISS EXCHANGE ONLY:**

- (i) No Material Change: There has been no material change in the Issuer's assets and liabilities, financial position, profits or losses since *(insert date of most recent annual or interim financial statements)*.
- (ii) Notices: For so long as any Swiss Global Note representing the Notes is deposited with the Intermediary [and in the event that the Notes are no longer listed on the SIX Swiss Exchange], any notices or publications to be made to holders will be made as provided in Condition 14 by publishing the relevant notice on the following website: [ ].
- (iii) Notices to the Issuer: [specify/Not Applicable]

## BOOK-ENTRY CLEARANCE SYSTEMS

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear or Clearstream, Luxembourg (together, the “**Clearing Systems**”) currently in effect. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Trustee and any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

### DTC

DTC has advised the Issuer as follows: “DTC is a limited-purpose trust company organised under the New York Banking Law, a “**banking organisation**” within the meaning of the New York Banking Law, a “**clearing corporation**” within the meaning of the New York Uniform Commercial Code and a “**clearing agency**” registered pursuant to the provisions of section 17A of the United States Securities Exchange Act of 1934. DTC holds securities that its participants (“**Direct Participants**”), including Euroclear and Clearstream, Luxembourg, deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Direct Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”).

Under the rules, regulations and procedures creating and affecting DTC and its operations (the “**Rules**”), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC’s book-entry settlement system (“**DTC Notes**”) as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the U.S. Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes (each, a “**Beneficial Owner**”) have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Beneficial Owners. Accordingly, although Beneficial Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments on behalf of, and will be able to transfer the interest of, the Beneficial Owners in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC’s records. The ownership interest of each Beneficial Owner is in turn recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase but are expected to receive written confirmations regarding details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owners entered into the transaction. Transfers of ownership interests in the DTC Notes are accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that the use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC’s records reflect only the

identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to Cede & Co., as nominee of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Issuer or the Issuing and Principal Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payment date. Payments by Direct Participants to Indirect Participants and by Direct Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Direct Participants and Indirect Participants and not of DTC, the Issuing and Principal Paying Agent, the Trustee or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. is the responsibility of the Issuer or the Issuing and Principal Paying Agent or Paying Agent, as the case may be. Disbursement of payment received by DTC to Direct Participants shall be the responsibility of DTC.

The laws of some states within the United States may require that certain persons take physical delivery of securities in definitive form. Consequently, any transfer of beneficial interests in a Registered Global Note to such persons may require that such interests be exchanged for Registered Notes in definitive form. Because DTC can only act on behalf of Direct Participants which, in turn, act on behalf of Indirect Participants, the ability of a person having a beneficial interest in a Registered Global Note to pledge such interest to persons or entities that do not participate in the DTC system, or otherwise take action in respect of such interest, may be affected by the lack of a physical registered certificate.

DTC may discontinue providing its services as securities depository with respect to DTC Notes at any time by giving reasonable notice to the Issuer or the Issuing and Principal Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Registered Notes in definitive form would be delivered to individual Beneficial Owners. In addition, the Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Registered Notes in definitive form would be delivered to individual Beneficial Owners.

#### *Euroclear and Clearstream, Luxembourg*

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial

relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which (subject to the removal of the wording in italics in Condition 9(a) which shall not form part of the Terms and Conditions) will be incorporated by reference into each global Note and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The following Terms and Conditions will be applicable to each VPS Notes. VPS Notes will not be evidenced by any physical note or document of title other than statements of account made by the VPS. Ownership of VPS Notes will be recorded and transfer effected only through the book-entry system and register maintained by the VPS. Part A of the applicable Pricing Supplement in relation to any Tranche of Exempt Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms or, as the case may be, the applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed upon, or attached to, each global Note and definitive Note. Reference should be made to "Form of the Notes" for a description of the content of the Final Terms or, as the case may be, the Pricing Supplement which will specify which of such terms are to apply in relation to the relevant Notes.*

This Note is one of a Series (as defined below) of Notes issued by DNB Bank ASA (the "**Issuer**") constituted by a Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the "**Trust Deed**") dated 30th April, 2004 made between the Issuer and The Law Debenture Trust Corporation p.l.c. (the "**Trustee**", which expression shall include any successor as Trustee).

References herein to the "**Notes**" shall be references to the Notes of this Series and shall mean:

- (i) in relation to any Notes represented by a global Note, units of each Specified Denomination in the Specified Currency;
- (ii) (in the case of Bearer Notes), definitive Bearer Notes issued in exchange (or part exchange) for a global Note;
- (iii) (in the case of Registered Notes) definitive Registered Notes;
- (iv) any global Note (including a Swiss Global Note (as defined below)); and
- (v) Notes cleared through the Norwegian Central Securities Depository, the *Verdipapirsentralen* ("**VPS Notes**" and the "**VPS**", respectively).

References herein to "**Exempt Notes**" shall be references to Notes (including Swiss Domestic Notes (as defined below)) for which no prospectus is required to be published under Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in a relevant Member State of the European Economic Area (the "**Prospectus Directive**").

The Notes and the Coupons (as defined below) have the benefit of an Amended and Restated Agency Agreement (such Amended and Restated Agency Agreement as amended, supplemented or restated from time to time, the "**Agency Agreement**") dated 20th May, 2015, and made between the Issuer, the Trustee, Citibank, N.A., London Branch as issuing and principal paying agent, agent bank and paying agent (the "**Agent**", which expression shall include any successor agent, and together with any additional successor paying agents, the "**Paying Agents**", which expression shall include any additional or successor paying agents), Citibank, N.A., London Branch as Exchange Agent (the "**Exchange Agent**", which expression shall include any successor exchange agent), Citigroup Global Markets Deutschland AG as registrar (the "**Registrar**", which expression shall include any successor registrar) and Citibank, N.A., London Branch and Citigroup Global Markets

Deutschland AG as transfer agents (together, the “**Transfer Agents**”, which expression shall include any additional or successor transfer agent). Each Tranche of VPS Notes will be created and held in uncertificated book-entry form in accounts with the VPS. DNB Bank ASA, Verdipapirservice (the “**VPS Account Manager**”) will act as agent of the Issuer in respect of all dealings with the VPS in respect of VPS Notes.

In respect of each Tranche of Swiss Domestic Notes, the Swiss principal paying agent (the “**Swiss Principal Paying Agent**”) and the other Swiss paying agents (together with the Swiss Principal Paying Agent, the “**Swiss Paying Agents**”) for such Swiss Domestic Notes will be specified in the applicable Pricing Supplement. All references herein to the “**Agent**” and the “**Paying Agents**” shall, so far as the context permits, be deemed to include, respectively, the Swiss Principal Paying Agent and the Swiss Paying Agents and/or any other paying agent appointed in Switzerland from time to time in connection with the Swiss Domestic Notes. In respect of each Tranche of Swiss Domestic Notes, the Issuer shall enter into a Supplemental Agency Agreement (substantially in the form of Schedule 6 to the Agency Agreement) with, *inter alia*, the Swiss Paying Agents, copies of which will be obtainable during normal business hours at the specified offices of the Swiss Paying Agents.

Interest-bearing definitive Bearer Notes have interest coupons (“**Coupons**”) and, if indicated in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, talons for further Coupons (“**Talons**”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons.

The final terms of this Note (or the relevant provisions thereof) are (except in the case of VPS Notes) set out in (i) in the case of Notes other than Exempt Notes, Part A of a final terms document (the “**Final Terms**”) relating to the Notes which completes these Terms and Conditions or (ii) in the case of Exempt Notes, a pricing supplement (the “**Pricing Supplement**”) which replaces or modifies these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify these Terms and Conditions for the purposes of this Exempt Note. References to the “applicable Final Terms” or, as the case may be, to the “applicable Pricing Supplement” are to Part A of the Final Terms (or the relevant provisions thereof) or, as the case may be, to the Pricing Supplement (or the relevant provisions thereof) which are (except in the case of VPS Notes) attached to or endorsed on this Note.

The Trustee acts for the benefit of the holders for the time being of the Notes (the “**Noteholders**”, which expression shall, in relation to any Notes represented by a global Note and in relation to VPS Notes, be construed as provided below) and the holders of the Coupons (the “**Couponholders**”, which expression shall, unless the context otherwise requires, include the holders of Talons), in accordance with the provisions of the Trust Deed. VPS Notes are in dematerialised form: any references in these Terms and Conditions to Coupons and Talons shall not apply to VPS Notes and no global or definitive Notes will be issued in respect thereof. These Terms and Conditions shall be construed accordingly.

As used herein, “**Tranche**” means Notes which are identical in all respects (including as to listing) and “**Series**” means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Trust Deed and the Agency Agreement are obtainable during normal business hours at the registered office for the time being of the Trustee being at Fifth Floor, 100 Wood Street, London EC2V 7EX and at the specified office of each of the Paying Agents, the Registrar and the Transfer Agents. Copies of the applicable Final Terms or, as the case may be, the applicable Pricing Supplement may be obtained, upon request, free of charge, from the registered office of the Issuer and the specified offices of the Paying Agents save that, if this Note is an Exempt Note, the applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and/or the Paying Agent as to its holding of such Notes and identity. If this Note is admitted to trading on the Irish Stock Exchange’s regulated market, the applicable Final Terms will also be published on the website of the Central Bank at <http://www.centralbank.ie/regulation/securities-markets/prospectus/Pages/approvedprospectus.aspx>

and the website of the Irish Stock Exchange at [www.ise.ie](http://www.ise.ie). The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms or, as the case may be, the applicable Pricing Supplement which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed.

Words and expressions defined in the Trust Deed, the Agency Agreement or used in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail and, in the event of any inconsistency between the Trust Deed or the Agency Agreement and the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the applicable Final Terms or, as the case may be, the applicable Pricing Supplement will prevail.

## 1. Form, Denomination and Title

The Notes are in bearer form (“**Bearer Notes**”), registered form (“**Registered Notes**”) or, in the case of VPS Notes, uncertificated book-entry form, as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Save as provided in Condition 11, Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

Bearer Notes may not be exchanged for Registered Notes and *vice versa*. VPS Notes may not be exchanged for Bearer Notes or Registered Notes and *vice versa*.

This Note is a Fixed Rate Note, a Floating Rate Note (which term shall include a CMS Linked Interest Note if this Note is specified as being a CMS Linked Interest Note in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement), a Reset Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement.

This Note is an Unsubordinated Note or a Subordinated Note, as indicated in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer, the Trustee, the Replacement Agent (as defined in the Agency Agreement), the Registrar, any Transfer Agent and any Paying Agent may deem and treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding paragraph, and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly. The holder of a VPS Note will be the person evidenced as such by a book entry in the records of the VPS. Title to the VPS Notes will pass by registration in the registers between the direct or indirect accountholders at the VPS in accordance with the rules and procedures of the VPS. Where a nominee is so evidenced, it shall be treated by the Issuer as the holder of the relevant VPS Note.

Save as provided below in respect of Swiss Domestic Notes, for so long as any of the Notes is represented by a global Note held on behalf of Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking, *société anonyme* (“**Clearstream, Luxembourg**”) or for so long as The Depository Trust Company (“**DTC**”) or its nominee is the registered holder of a Registered Global Note or so long as the Note is a VPS Note, each person (other than Euroclear or Clearstream,

Luxembourg or DTC or the VPS, as the case may be) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg or DTC or the VPS, as the case may be, as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by such clearing system as to the nominal amount of such Notes standing to the account of any person shall, save in the case of manifest error, be conclusive and binding for all purposes, including any form of statement or print out of electronic records provided by the relevant clearing system in accordance with its usual procedures and in which the holder of a particular nominal amount of such Notes is clearly identified together with the amount of such holding) shall be treated by the Issuer, the Trustee, the Agent, the Replacement Agent and any other Paying Agent as the holder of such nominal amount of such Notes for all purposes other than (in the case only of Notes not being VPS Notes) with respect to the payment of principal or interest on the Notes, for which purpose, in the case of Notes represented by a bearer global Note, the bearer of the relevant bearer global Note or, in the case of Notes represented by Registered Global Notes, the registered holder or, in the case of a Registered Global Note registered in the name of DTC or its nominee, DTC or its nominee shall be treated by the Issuer, the Trustee, the Agent and any other Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant global Note and the expressions “**Noteholder**” and “**holder of Notes**” and related expressions shall be construed accordingly.

Bearer Notes which are denominated in Swiss Francs may be represented upon issue by a permanent bearer global note (a “**Swiss Global Note**”) substantially in the form set out in the Trust Deed (“**Swiss Domestic Notes**”). The Swiss Global Note will be deposited with SIX SIS Ltd, the Swiss Securities Services Corporation located in Olten, Switzerland (“**SIS**”) or any other intermediary in Switzerland recognised for such purpose by the SIX Swiss Exchange Ltd (the “**SIX Swiss Exchange**”) (SIS or any such other intermediary, the “**Intermediary**”) until final redemption of the Swiss Domestic Notes or the printing of definitive Bearer Notes.

Once the Swiss Global Note is deposited with the Intermediary and the accounts of one or more participants of the Intermediary have been credited in accordance therewith, the Swiss Domestic Notes will constitute intermediated securities (*Bucheffekten*) (“**Intermediated Securities**”) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Each Noteholder shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Swiss Global Note to the extent of his claim against the Issuer, provided that, for so long as the Swiss Global Note remains deposited with the Intermediary, the co-ownership interest shall be suspended and the Swiss Domestic Notes may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e., by the entry of the transferred Swiss Domestic Notes in a securities account of the transferee.

The records of the Intermediary will determine the number of Swiss Domestic Notes held through each participant in that Intermediary. In respect of Swiss Domestic Notes held in the form of Intermediated Securities, the holders of the Swiss Domestic Notes will be the persons holding such Swiss Domestic Notes in a securities account in their own name, or in the case of Intermediaries, the Intermediaries holding the Swiss Domestic Notes for their own account in a securities account which is in their name. The terms “**Noteholder**” and “**holder**” of Swiss Domestic Notes and related expressions as used herein and in the Trust Deed shall, in relation to any such Swiss Domestic Notes held in the form of Intermediated Securities, be construed accordingly, other than with respect to the payment of principal or interest on Swiss Domestic Notes, for which purpose the bearer of the Swiss Global Note shall be treated as the holder of such Swiss Domestic Notes in accordance with and subject to the terms of the relevant Swiss Global Note.

Holders of Swiss Domestic Notes do not have the right to request the printing and delivery of definitive Bearer Notes. Interests in the Swiss Global Note will be exchangeable, in whole but not in part, for definitive Bearer Notes if the Swiss Principal Paying Agent (i) determines that the presentation of definitive Bearer Notes is required by Swiss or other applicable laws and regulations in connection with the enforcement of rights or (ii) deems the printing and delivery of definitive Bearer Notes to be useful or desirable for any other reason. Should the Swiss Principal Paying Agent so determine, it shall provide for the printing of definitive Bearer Notes without cost to the holders. Upon delivery of the definitive Bearer Notes, the Swiss Global Note will be cancelled and the definitive

Bearer Notes shall be delivered to the holders against cancellation of the Swiss Domestic Notes in the holders' securities accounts.

Notes which are represented by a global Note and VPS Notes will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg and/or DTC and/or the Intermediary and/or the VPS, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg and/or DTC and/or the Intermediary and/or the VPS shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Trustee and the Agent.

## 2. Status of the Unsubordinated Notes

This Condition applies only to Unsubordinated Notes specified as such in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement and references to "Notes" and "Coupons" in this Condition shall be construed accordingly.

The Notes and the relative Coupons are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (including deposits) (other than subordinated obligations, if any) of the Issuer, present and future, from time to time outstanding. So long as any of the Notes remains outstanding (as defined in the Trust Deed), the Issuer undertakes to ensure that the obligations of the Issuer under the Notes rank and will rank *pari passu* with all other unsecured and unsubordinated obligations (including deposits) of the Issuer and with all its unsecured and unsubordinated obligations under guarantees of obligations of third parties, in each case except for any obligations preferred by mandatory provisions of applicable law.

## 3. Status of the Subordinated Notes

This Condition applies only to Subordinated Notes specified as such in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement and references to "Notes" and "Noteholders" in this Condition shall be construed accordingly.

- (a) The Notes constitute dated, unsecured and subordinated obligations (*ansvarlig lånekapital*) of the Issuer, and will at all times rank *pari passu* without any preference among themselves. The Notes are subordinated as described in Condition 3(b).
- (b) In the event of a liquidation, dissolution or winding-up of the Issuer by way of public administration (except, in any such case, a solvent liquidation, dissolution, or winding-up solely for the purposes of a reorganisation, reconstruction or amalgamation of the Issuer), claims in respect of the Notes shall rank:
  - (i) *pari passu* without any preference among themselves;
  - (ii) at least *pari passu* with claims in respect of Parity Securities;
  - (iii) in priority to claims in respect of Junior Securities; and
  - (iv) junior to any present or future claims of Senior Creditors.
- (c) Definitions

In these Terms and Conditions, the following terms shall bear the following meanings:

**"Junior Securities"** means all classes of share capital of the Issuer and any obligations of the Issuer ranking or expressed to rank junior to the Notes.

“**Norwegian FSA**” means the Financial Supervisory Authority of Norway (*Finanstilsynet*) or such other agency of the Kingdom of Norway which assumes or performs the functions, as at the Issue Date, performed by such Authority.

“**Parity Securities**” means any present or future instruments issued by the Issuer which are eligible to be recognised as Tier 2 Capital from time to time by the Norwegian FSA, any guarantee, indemnity or other contractual support arrangement entered into by the Issuer in respect of securities (regardless of name or designation) issued by a subsidiary of the Issuer which are eligible to be recognised as Tier 2 Capital and any instruments issued, and subordinated guarantees, indemnities or other contractual support arrangements entered into, by the Issuer which rank, or are expressed to rank, *pari passu* therewith, but excluding Junior Securities.

“**Senior Creditors**” means (a) depositors of the Issuer, (b) other unsubordinated creditors of the Issuer and (c) subordinated creditors of the Issuer in respect of any present or future obligation, whether dated or undated, of the Issuer which by its terms is, or is expressed to be, subordinated in the event of liquidation, dissolution, administration or other winding up of the Issuer, by way of public administration or otherwise, to the claims of depositors and all other unsubordinated creditors of the Issuer, excluding Parity Securities and Junior Securities.

“**Tier 2 capital**” means Tier 2 capital (*Tilleggs kapital*) as described in paragraph 16 of the Norwegian regulation of 1990-06-01 no. 435 about calculation of risk capital of financial institutions, clearing houses and securities trading companies (*FOR 1990-06-01 nr 435: Forskrift om beregning av ansvarlig kapital for finansinstitusjoner, oppgjørssentraler og verdipapirforetak*), as amended or replaced.

(d) *Loss Absorption*

This Condition 3(d) applies to Subordinated Notes.

Under Norwegian legislation, if the Issuer’s most recent audited accounts reveal that its net assets are 25 per cent. or less of its share capital, the general meeting of shareholders of the Issuer can or the relevant authorities can if the general meeting of shareholders of the Issuer does not do so: first, cancel share capital to compensate for the shortfall and secondly, if any remaining shortfall exceeds a substantial part (as determined by the general meeting of shareholders of the Issuer or by the relevant Norwegian authorities) of the Issuer’s subordinated loan capital, cancel, in whole or in part, such subordinated loan capital (which would include principal in respect of all Subordinated Notes).

The Issuer shall give not more than 30 nor less than 5 Business Days’ (as defined in Condition 4(b)(i)) prior notice to the Trustee, and the Agent and/or the Registrar, as the case may be, and to the Noteholders in accordance with Condition 14 of any cancellation of principal in respect of any Subordinated Notes pursuant to this Condition 3(d).

To the extent that part only of the outstanding principal amount of any Subordinated Notes has been cancelled as provided above, interest will continue to accrue in accordance with the terms hereof on the then outstanding principal amount of such Subordinated Notes.

**4. Interest**

(a) *Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the amount of interest payable on each

Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, amount to the Broken Amount(s) so specified.

As used in these Terms and Conditions, “**Fixed Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest in accordance with this Condition 4(a) or Condition 4(c):

- (i) if “**Actual/Actual (ICMA)**” is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement:
  - (a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “**Accrual Period**”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement) that would occur in one calendar year; or
  - (b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement) that would occur in one calendar year; and
    - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

- (ii) if “30/360” is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Terms and Conditions:

“**Determination Period**” means the period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

“**sub-unit**” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(b) *Interest on Floating Rate Notes*

(i) *Interest Payment Dates*

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, each date (each such date, together with each Specified Interest Payment Date, an “**Interest Payment Date**”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each “**Interest Period**” (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each

subsequent Interest Payment Date shall be the last Business Day in the month which falls in the Specified Period after the preceding applicable Interest Payment Date occurred; or

- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Terms and Conditions, “**Business Day**” means a day which is both:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement; and
- (B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the “**TARGET2 System**”) is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the “**ISDA Definitions**”) and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement;
- (2) the Designated Maturity is a period specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement; and
- (3) the relevant Reset Date is the day specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement.

For the purposes of this sub-paragraph (A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**” and “**Reset Date**” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

(1) Floating Rate Notes other than CMS Linked Interest Notes

Where Screen Rate Determination is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (x) the offered quotation; or
- (y) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate being the Reference Rate specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, provided that in the case of Notes other than Exempt Notes, the Reference Rate in respect of Floating Rate Notes other than CMS Linked Interest Notes shall be LIBOR, EURIBOR, STIBOR, NIBOR, CIBOR, TIBOR, HIBOR or SIBOR which appears or appear, as the case may be, on the Relevant Screen Page as at the Specified Time on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement) the Margin (if any), all as determined by the Agent or, in the case of VPS Notes, the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of Condition 4(b)(ii)(B)(1)(x) above, no such offered quotation appears or, in the case of Condition 4(b)(ii)(B)(1)(y) above, fewer than three such offered quotations appear, in each case at the time specified in the preceding paragraph, the Agent or, in the case of VPS Notes, the Calculation Agent shall request the principal London office of each of the Reference Banks to provide the Agent or, in the case of VPS Notes, the Calculation Agent, with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Agent or, in the

case of VPS Notes, the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent or, in the case of VPS Notes, the Calculation Agent. **“Reference Banks”** means (i) in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market, (ii) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, or (iii) in the case of a determination of any other Reference Rate, the principal Relevant Financial Centre office of four major banks in the inter-bank market of the Relevant Financial Centre, in each case selected by the Agent or, in the case of VPS Notes, the Calculation Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Agent or, in the case of VPS Notes, the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent or, in the case of VPS Notes, the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent or, in the case of VPS Notes, the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the inter-bank market of the Relevant Financial Centre (if any other Reference Rate is used) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Agent or, in the case of VPS Notes, the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer and the Trustee suitable for such purpose) informs the Agent or, in the case of VPS Notes, the Calculation Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the inter-bank market of the Relevant Financial Centre (if any other Reference Rate is used) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

- (2) Floating Rate Notes which are CMS Linked Interest Notes

Where Screen Rate Determination is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be:

- (w) where “CMS Reference Rate” is specified as the Reference Rate in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, determined by the Calculation Agent by reference to the following formula:

$$\text{CMS Rate} + \text{Margin}$$

- (x) where “Leveraged CMS Reference Rate” is specified as the Reference Rate in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, determined by the Calculation Agent by reference to the following formula:

$$\text{Leverage} \times \text{CMS Rate}$$

- (y) where “Steeper CMS Reference Rate” is specified as the Reference Rate in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, determined by the Calculation Agent by reference to the following formula:

Either:

- (a) where “Steeper CMS Reference Rate: Unleveraged” is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement:

$$\text{CMS Rate 1} - \text{CMS Rate 2}$$

or

- (b) where “Steeper CMS Reference Rate: Leveraged” is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement:

$$\text{Leverage} \times [(\text{Min}(\text{CMS Rate 1}; \text{Cap} - \text{CMS Rate 2})) + \text{Margin}]$$

- (z) where “Call Spread CMS Reference Rate” is specified as the Reference Rate in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, determined by the Calculation Agent by reference to the following formula:

$$\text{Leverage} \times \text{Min} [\text{Max}(\text{CMS Rate} + \text{Margin}; \text{Floor}); \text{Cap}]$$

For the purposes of this sub-paragraph (B):

“**CMS Rate**” shall mean the applicable swap rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Relevant Screen Page as at the Specified Time on the Interest Determination Date in question, all as determined by the Calculation Agent; and “**Cap**”, “**CMS Rate 1**”, “**CMS Rate 2**”, “**Floor**”, “**Leverage**” and “**Margin**” shall have the meanings given to those terms in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement.

If the Relevant Screen Page is not available, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its quotation for the Relevant Swap Rate at approximately the Specified Time on the Interest Determination Date in question. If at least three of the Reference Banks provide the Calculation Agent with such quotation, the CMS Rate for such Interest Period shall be the arithmetic mean of such quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

For this purpose:

**“Reference Banks”** means (i) where the Reference Currency is Euro, the principal office of five leading swap dealers in the inter-bank market, (ii) where the Reference Currency is Sterling, the principal London office of five leading swap dealers in the London inter-bank market, (iii) where the Reference Currency is United States dollars, the principal New York City office of five leading swap dealers in the New York City inter-bank market or (iv) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five leading swap dealers in the Relevant Financial Centre inter-bank market, in each case selected by the Calculation Agent.

**“Relevant Swap Rate”** means:

- (i) where the Reference Currency is Euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) with a designated maturity determined by the Calculation Agent by reference to standard market practice and/or the ISDA Definitions;
- (ii) where the Reference Currency is Sterling, the mid-market semi-annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for-floating Sterling interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent (A) if the Designated Maturity is greater than one year, to GBP-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of six months or (B) if the Designated Maturity is one year or less, to GBP-LIBOR-BBA with a designated maturity of three months;
- (iii) where the Reference Currency is United States dollars, the mid-market semi-annual swap rate determined on the basis of the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating United States

dollar interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of three months; and

- (iv) in the case of Exempt Notes only, where the Reference Currency is any other currency or if the applicable Pricing Supplement specifies otherwise, the mid-market swap rate as determined in accordance with the applicable Pricing Supplement.

**“Representative Amount”** means an amount that is representative for a single transaction in the relevant market at the relevant time.

If on any Interest Determination Date less than three or none of the Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the CMS Rate shall be determined by the Calculation Agent in good faith on such commercial basis as considered appropriate by the Calculation Agent in its absolute discretion, in accordance with standard market practice.

(iii) *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Final Terms or, as the case may be, the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms or, as the case may be, the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) *Determination of Rate of Interest and Calculation of Interest Amounts*

The Agent, in the case of Floating Rate Notes other than Floating Rate Notes which are CMS Linked Interest Notes or VPS Notes, and the Calculation Agent, in the case of Floating Rate Notes which are CMS Linked Interest Notes or VPS Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Floating Rate Notes which are CMS Linked Interest Notes other than Floating Rate Notes which are VPS Notes, the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Agent or, in the case of Floating Rate Notes which are either VPS Notes or CMS Linked Interest Notes, the Calculation Agent, will calculate the amount of interest (the **“Interest Amount”**) payable on the Floating Rate Notes, in each case for the relevant Interest Period, by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or
- (B) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

**“Day Count Fraction”** means, in respect of the calculation of an amount of interest in accordance with this Condition 4(b):

- (i) if **“Actual/Actual (ISDA)”** or **“Actual/Actual”** is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if **“Actual/365 (Fixed)”** is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;
- (iii) if **“Actual/365 (Sterling)”** is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if **“Actual/360”** is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;
- (v) if **“30/360”**, **“360/360”** or **“Bond Basis”** is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

**“Y<sub>1</sub>”** is the year, expressed as a number, in which the first day of the Interest Period falls;

**“Y<sub>2</sub>”** is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**“M<sub>1</sub>”** is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D<sub>2</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>2</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D<sub>2</sub> will be 30; and

- (vii) if “**30E/360 (ISDA)**” is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D<sub>2</sub>** will be 30.

(v) *Linear Interpolation*

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

“**Designated Maturity**” means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(vi) *Notification of Rate of Interest and Interest Amounts*

The Agent or, in the case of VPS Notes or CMS Linked Interest Notes, the Calculation Agent, will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Trustee and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and, in the case of VPS Notes, the VPS and the VPS Account Manager (by no later than the first day of each Interest Period) and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day (as defined below) thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 14. For the purposes of this paragraph, the expression “**London Business Day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(vii) *Determination or Calculation by Trustee*

If for any reason at any relevant time the Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest or the Agent defaults in its obligation to calculate any Interest Amount in accordance with

the above provisions or as otherwise specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, as the case may be, and in each case in accordance with paragraph (iv) above, the Trustee shall determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee shall calculate the Interest Amount(s) in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Agent or the Calculation Agent, as applicable.

(viii) *Certificates to be Final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b), whether by the Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Trustee, the Agent, the Calculation Agent (if applicable), the other Paying Agents, the Registrar, the Exchange Agent, the Transfer Agent and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent or, if applicable, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Interest on Reset Notes*

(i) *Rate of Interest*

Each Reset Note bears interest:

- (a) from (and including) the Interest Commencement Date to (but excluding) the First Reset Date (the “**Initial Period**”), at the Initial Rate of Interest;
- (b) for the First Reset Period, at the First Reset Rate of Interest; and
- (c) for each Subsequent Reset Period thereafter (if any) to (but excluding) the Maturity Date, at the relevant Subsequent Reset Rate of Interest.

Interest will be payable, in each case, in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of each Interest Period falling in the Initial Period will amount to the Fixed Coupon Amount. Payments of interest on the first Interest Payment Date will, if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, amount to the Broken Amount(s) so specified.

The Agent or, in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent will at or as soon as practicable after each time at which a Rate of Interest in respect of a Reset Period is to be determined, determine the relevant Rate of Interest for such Reset Period. If the Notes are not VPS Notes and a Calculation Agent is specified in the applicable Final Terms or, as the case may be, the applicable Pricing

Supplement, the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Reset Period as soon as practicable after calculating the same.

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Agent or, in the case of VPS Notes, the Calculation Agent will calculate the amount of interest (the “**Reset Notes Interest Amount**”) payable on the Reset Notes for the relevant Interest Period by applying the relevant Rate of Interest to:

- (A) in the case of Reset Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or
- (B) in the case of Reset Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Reset Note in definitive form is a multiple of the Calculation Amount, the Reset Notes Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination, without any further rounding.

(ii) *Fallbacks*

If on any Reset Determination Date, the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page as at the Specified Time on such Reset Determination Date, the Rate of Interest applicable to the Notes in respect of each Interest Period falling in the relevant Reset Period will be determined by the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent on the following basis:

- (a) the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent shall request each of the Reset Reference Banks to provide the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately the Specified Time on the Reset Determination Date in question;
- (b) if at least three of the Reset Reference Banks provide the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period will be equal to the sum of (A) the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest (or, in the event of equality, one of the lowest) and (B) the Relevant Reset Margin, all as determined by the Agent, or in the case of VPS Notes or if so

specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent;

- (c) if only two relevant quotations are provided, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period will be equal to the sum of (A) the arithmetic mean (rounded as aforesaid) of the relevant quotations provided and (B) the Relevant Reset Margin, all as determined by the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent;
- (d) if only one relevant quotation is provided, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period will be equal to the sum of (A) the relevant quotation provided and (B) the Relevant Reset Margin, all as determined by the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent; and
- (e) if none of the Reset Reference Banks provides the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 4(c), the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) will be either:
  - (A) equal to the sum of (A) the Mid-Swap Rate determined on the last preceding Reset Determination Date and (B) the Relevant Reset Margin or, in the case of the first Reset Determination Date, the First Reset Rate of Interest will be equal to the sum of (A) the Initial Mid-Swap Rate and (B) the Relevant Reset Margin, all as determined by the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent; or
  - (B) determined by the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent taking into consideration all available information that it in good faith deems relevant,

as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement.

(iii) *Mid-Swap Rate Conversion*

This Condition 4(c)(iii) is only applicable if Mid-Swap Rate Conversion is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement as being applicable. If Mid-Swap Rate Conversion is so specified as being applicable, the First Reset Rate of Interest and, if applicable, each Subsequent Reset Rate of Interest will be converted by the Agent or, in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent from the Original Mid-Swap Rate Basis specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement to a basis which matches the per annum frequency of Interest Payment

Dates in respect of the Notes (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it).

(iv) *Notification of Rate of Interest and Interest Amounts*

In respect of a Reset Period, the Agent, or in the case of VPS Notes, the Calculation Agent, will cause the relevant Rate of Interest in respect of such Reset Period and each Reset Notes Interest Amount for each Interest Period falling in such Reset Period to be notified to the Issuer, the Trustee and any stock exchange on which the relevant Reset Notes are for the time being listed and, in the case of VPS Notes, the VPS and the VPS Account Manager (by no later than the first day of each Interest Period) and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day (as defined in Condition 4(b)(vi)) thereafter. Each Reset Notes Interest Amount so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Reset Notes are for the time being listed and to the Noteholders in accordance with Condition 14.

(v) *Determination or Calculation by Trustee*

If for any reason at any relevant time the Agent or, as the case may be, the Calculation Agent defaults in its obligation to determine the Rate of Interest in respect of a Reset Period or to calculate any Reset Notes Interest Amount in accordance with this paragraph (c), the Trustee shall determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the foregoing provisions of this Condition), it shall deem fair and reasonable in all the circumstances or, as the case may be, the Trustee shall calculate the relevant Rate of Interest or calculate any Reset Notes Interest Amount in such manner as it shall deem fair and reasonable in all the circumstances and each such determination or calculation shall be deemed to have been made by the Agent or the Calculation Agent, as applicable.

(vi) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 4(c), whether by the Agent or, if applicable, the Calculation Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Trustee, the Agent, the Calculation Agent (if applicable), the other Paying Agents, the Registrar, the Exchange Agent, the Transfer Agent and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent or, if applicable, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(vii) *Definitions*

In this Condition 4(c), the following terms shall bear the following meanings:

“**Day Count Fraction**” has the meaning given in Condition 4(a).

“**First Reset Period**” means the period from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if no such Second Reset Date is specified

in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Maturity Date.

**“First Reset Rate of Interest”** means, in respect of the First Reset Period and subject to Condition 4(c)(ii) and Condition 4(c)(iii), the rate of interest determined by the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the First Reset Margin.

**“Interest Period”** has the meaning given in Condition 4(b).

**“Mid-Market Swap Rate”** means for any Reset Period the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Original Mid-Swap Rate Basis (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Floating Leg Maturity (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent).

**“Mid-Market Swap Rate Quotation”** means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate.

**“Mid-Swap Floating Leg Benchmark Rate”** means EURIBOR (if the Specified Currency is euro), LIBOR (if the Specified Currency is U.S. dollars, Pounds Sterling or Swiss Francs), NIBOR (if the Specified Currency is Norwegian Kroner) or (in the case of any other Specified Currency) the benchmark rate most closely connected with such Specified Currency and selected by the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent in its discretion after consultation with the Issuer.

**“Mid-Swap Rate”** means, in relation to a Reset Determination Date and subject to Condition 4(c)(ii), either:

- (a) if Single Mid-Swap Rate is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the rate for swaps in the Specified Currency:
  - (A) with a term equal to the relevant Reset Period; and
  - (B) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page; or

- (b) if Mean Mid-Swap Rate is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the arithmetic mean

(expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

- (A) with a term equal to the relevant Reset Period; and
- (B) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page,

in either case, as at approximately the Specified Time on such Reset Determination Date, all as determined by the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent.

**“Original Mid-Swap Rate Basis”** has the meaning given in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement. In the case of Notes other than Exempt Notes, the Original Mid-Swap Rate Basis shall be annual, semi-annual, quarterly or monthly.

**“Rate of Interest”** means the Initial Rate of Interest, the First Reset Rate of Interest or the relevant Subsequent Reset Rate of Interest, as applicable.

**“Relevant Reset Margin”** means, in respect of a Reset Period, whichever of the First Reset Margin or the Subsequent Reset Margin is applicable for the purpose of determining the Rate of Interest in respect of such Reset Period.

**“Reset Date”** means the First Reset Date, the Second Reset Date and each Subsequent Reset Date (as applicable).

**“Reset Period”** means the First Reset Period or a Subsequent Reset Period, as the case may be.

**“Reset Reference Banks”** means the principal office in the principal financial centre of the Specified Currency of five major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent in its discretion after consultation with the Issuer.

**“Subsequent Reset Period”** means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date or the Maturity Date, as the case may be.

**“Subsequent Reset Rate of Interest”** means, in respect of any Subsequent Reset Period and subject to Condition 4(c)(ii) and Condition 4(c)(iii), the rate of interest determined by the Agent, or in the case of VPS Notes or if so specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the relevant Subsequent Reset Margin.

(d) *Accrual of Interest*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is

improperly withheld or refused or, in the case of Subordinated Notes, the consent of the Norwegian FSA for such payment has not been given or, having been given, has been withdrawn and not replaced. In such event, interest will continue to accrue as provided in the Trust Deed.

## 5. Payments

### (a) Method of Payment

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland respectively); and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

References to “**Specified Currency**” will include any successor currency under applicable law.

### (b) Payments Subject to Fiscal and other Laws

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or (without prejudice to the provisions of Condition 7) law implementing an intergovernmental approach thereto.

### (c) Presentation of Notes and Coupons

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or in the case of part payment of any sum due only, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or in the case of part payment of any sum due only, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Except as provided below, all payments of interest and principal with respect to Bearer Notes will be made at such paying agencies outside the United States as the Issuer may appoint from time to time and to accounts outside the United States.

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become

void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Reset Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "**Long Maturity Note**" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such definitive Bearer Note from (and including) the preceding Interest Payment Date or Interest Commencement Date, as the case may be, shall be payable only against surrender of the relevant definitive Bearer Note.

Payments of principal and interest (if any) in respect of Notes represented by any bearer global Note will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes or otherwise in the manner specified in the relevant bearer global Note, where applicable, against presentation or surrender, as the case may be, of such bearer global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such bearer global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg or the Intermediary, as applicable.

The holder of a global Note shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, the Intermediary or DTC as the beneficial holder of a particular nominal amount of Notes represented by such global Note must look solely to either (i) Euroclear, Clearstream, Luxembourg or DTC, as the case may be or (ii) in relation to Notes represented by Swiss Global Notes, the Swiss Principal Paying Agent (on behalf of the bearer of such Swiss Global Note) for his share of each payment so made by the Issuer to, or to the order of, the holder of such global Note.

All amounts payable to DTC or its nominee as registered holder of a Registered Global Note in respect of Notes denominated in a Specified Currency other than U.S. dollars shall be paid by transfer by the Registrar to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee for payment in such Specified Currency or conversion into U.S. dollars in accordance with the provisions of the Agency Agreement.

Notwithstanding the foregoing, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Bearer Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or

other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and

- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

Payments of principal in respect of Registered Notes (whether in definitive or global form) will be made in the manner provided in paragraph (a) above to the persons in whose name such Notes are registered at the close of business on the business day (being for this purpose a day on which banks are open for business in the city where the Registrar is located) immediately prior to the relevant payment date against presentation and surrender (or, in the case of part payment of any sum due only, endorsement) of such Notes at the specified office of the Registrar or a Transfer Agent.

Payments of interest due on a Registered Note (whether in definitive or global form) will be made in the manner specified in paragraph (a) above to the person in whose name such Note is registered (i) where the Notes are in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date and (ii) where the Notes are in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located)) prior to such due date (in the case of (i) and (ii), each the **Record Date**). In the case of payments by cheque, cheques will be mailed to the holder (or the first named of joint holders) at such holder's registered address on the business day (as described above) immediately preceding the due date.

If payment in respect of any Registered Notes is required by credit or transfer as referred to in paragraph (a), application for such payment must be made by the holder to the Registrar not later than the relevant Record Date.

Payments of principal and interest in respect of VPS Notes will be made to the Noteholders shown in the records of the VPS in accordance with and subject to the rules and regulations from time to time governing the VPS.

(d) *Payment Day*

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Day**" means any day which is (subject to Condition 8):

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
  - (A) in the case of Notes in definitive form only, the relevant place of presentation;
  - (B) any Additional Financial Centre specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(e) *Interpretation of Principal and Interest*

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 7 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(e)); and
- (vi) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

(f) *Payments in respect of Swiss Domestic Notes*

Notwithstanding the foregoing provisions of this Condition 5, payments of principal and interest in respect of Swiss Domestic Notes shall be made only at the offices of any Swiss Paying Agent in Switzerland in freely disposable Swiss Francs without collection costs and whatever the circumstances may be, irrespective of nationality, domicile or residence of the holder of the Swiss Domestic Notes and without requiring any certification, affidavit or the fulfilment of any other formality. Payments on the Swiss Domestic Notes will also be made irrespective of any present or future transfer restrictions and regardless of any bilateral or multilateral payment or clearing agreement which may be applicable at any time to such payment.

The receipt in full by the Swiss Principal Paying Agent on behalf of the bearer of Swiss Domestic Notes (in accordance with Swiss market practice) of the due and punctual payment of the funds in Swiss Francs in the manner provided by these Conditions shall release the Issuer from its obligations under the Swiss Domestic Notes for the payment of principal and interest due on the respective payment dates to the extent of such payments, and Noteholders must look solely to the Swiss Principal Paying Agent for their share of each payment so made by the Issuer.

## **6. Redemption and Purchase**

(a) *At Maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms or, as the case may be, the applicable Pricing Supplement in the relevant Specified Currency on the Maturity Date.

*(b) Redemption for Tax Reasons*

Subject, in the case of Subordinated Notes, as provided in Condition 6(i), the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Trustee and the Agent (and, in the case of VPS Notes, the VPS Account Manager) and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately before the giving of such notice that:

- (i)* on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Norway or any political subdivision or any authority thereof or any authority or agency therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes; and
- (ii)* such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Trustee and, in the case of VPS Notes, to the VPS Account Manager a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment and the Trustee shall be entitled to accept the certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in paragraph (e) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

*(c) Redemption at the Option of the Issuer (Issuer Call)*

This Condition 6(c) is not applicable for Subordinated Notes prior to five years from their Issue Date and references to "Notes" in this Condition 6(c) shall be construed accordingly.

Subject, in the case of Subordinated Notes, to obtaining the prior written consent of the Norwegian FSA as provided in Condition 6(i), if Issuer Call is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, the Issuer shall, having given:

- (i)* not less than 15 nor more than 30 days' notice (or not less than any other minimum period of notice nor more than any other maximum period of notice as may be specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement) to the Noteholders in accordance with Condition 14; and
- (ii)* not less than 15 days before the giving of the notice referred to in (i), notice to the Trustee and to the Agent and (in the case of a redemption of Registered Notes) the Registrar and (in the case of a redemption of VPS Notes) the VPS Account Manager,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional

Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms or, as the case may be, the applicable Pricing Supplement together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount or not more than the Higher Redemption Amount, in each case as may be specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement. In the case of a partial redemption of Notes, the Notes (or, as the case may be, parts of Registered Notes) to be redeemed ("**Redeemed Notes**") will be selected individually by lot without involving any part only of a Bearer Note, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) and/or DTC and/or the Intermediary, as the case may be, in the case of Redeemed Notes represented by a global Note and in accordance with the rules of the VPS, in the case of VPS Notes, in each case not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption. No exchange of the relevant global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least 5 days prior to the Selection Date.

*(d) Redemption at the Option of the Noteholders (Investor Put)*

This Condition 6(d) is not applicable for Subordinated Notes and references to "Notes" in this Condition 6(d) shall be construed accordingly.

If Investor Put is specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, upon the holder of any Note giving to the Issuer in accordance with Condition 14 not less than 15 nor more than 30 days' notice the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement.

If this Note is in definitive form and held outside Euroclear or Clearstream, Luxembourg or DTC or the Intermediary, to exercise the right to require redemption of this Note the holder of this Note must deliver such Note at the specified office of any Paying Agent, in the case of Bearer Notes, or any Transfer Agent or the Registrar in the case of Registered Notes at any time during normal business hours of such Paying Agent, Transfer Agent or the Registrar falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent, Transfer Agent or the Registrar (a "**Put Notice**") and in which the holder must specify a bank account (or, if payment is by cheque, an address) to which payment is to be made under this Condition.

If this Note is represented by a global Note or is a Note in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent or the Registrar of such exercise, where applicable, in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear, Clearstream, Luxembourg, or any common depositary or common safekeeper, as the case may be, for them to the Agent by electronic means) in a form acceptable to Euroclear or Clearstream, Luxembourg, as the case may be, from time to time. Notices in respect of Swiss Domestic Notes may be given to the Swiss Principal Paying Agent in the form of a duly completed and signed Put Notice.

If this Note is a Registered Note and is cleared through DTC, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Registrar of such exercise in the form of a Put Notice acceptable to the Registrar and irrevocably instruct DTC to debit such holder's securities account with this Note on or before the Optional Redemption Date in accordance with applicable DTC practice.

If this Note is a VPS Note, to exercise the right to require redemption of the VPS Notes, the holder of the VPS Notes, must, within the notice period, give notice to the relevant account operator of such exercise in accordance with the standard procedures of the VPS from time to time.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except, in the case of Unsubordinated Notes, where prior to the due date of redemption an Event of Default shall have occurred and the Trustee has declared the Notes to be immediately due and repayable pursuant to Condition 9 in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph.

(e) *Early Redemption Amounts*

For the purpose of paragraph (b) above and Condition 9, the Notes will be redeemed at the Early Redemption Amount calculated as follows:

- (i) in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;
- (ii) in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated; or
- (iii) in the case of Zero Coupon Notes, at an amount (the "**Amortised Face Amount**") calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY}^y)$$

where:

"**RP**" means the Reference Price;

"**AY**" means the Accrual Yield expressed as a decimal; and

"**y**" is the Day Count Fraction specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365),

(f) *Purchases*

Subject, in the case of Subordinated Notes, as provided in Condition 6(i), the Issuer or any of its Subsidiaries may at any time purchase beneficially or procure others to purchase beneficially for its account Notes (provided that, in the case of definitive Bearer Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent and/or the Registrar for cancellation.

(g) *Cancellation*

All Notes which are redeemed will forthwith be cancelled (together with, in the case of definitive Bearer Notes, all unmatured Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 6(f) (together, in the case of definitive Bearer Notes, with all unmatured Coupons cancelled therewith) shall be forwarded to the Agent and, in the case of VPS Notes, shall be deleted from the records of the VPS and cannot be reissued or resold.

(h) *Late payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its otherwise becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(ii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Agent, the Registrar or the Trustee and notice to that effect has been given to the Noteholders in accordance with Condition 14.

(i) *Consent*

In the case of Subordinated Notes, no early redemption in any circumstances or purchase under Condition 6(f) shall take place without the prior written consent of the Norwegian FSA. For the avoidance of doubt, redemption of Subordinated Notes under Condition 6(a) shall not require the consent of the Norwegian FSA.

(j) *Redemption upon Capital Event – Subordinated Notes*

This Condition 6(j) applies only to Subordinated Notes and where this Condition 6(j) is specified as being applicable in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, and references to “Notes” in this Condition shall be construed accordingly.

If a Capital Event occurs, the Issuer may, at its option, but subject to obtaining the prior written consent of the Norwegian FSA as provided in Condition 6(i), on giving not less than 30 nor more than 60 days’ notice to the Trustee and the Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), at any time (in the case of all Notes other than Floating Rate Notes) or on any Interest Payment Date (in the case of Floating Rate Notes) redeem all (but not some only) of the Notes at the amount specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, together (if appropriate) with interest accrued to (but excluding) the date of redemption. Upon the expiry of the relevant notice period, the Issuer shall redeem the Notes.

“**Applicable Banking Regulations**” means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy then in effect in Norway including, without

limitation to the generality of the foregoing, those regulations, requirements, guidelines and policies relating to capital adequacy adopted by the Ministry of Finance and/or the Norwegian FSA from time to time and then in effect (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer or to the Issuer and its subsidiaries).

A “**Capital Event**” means the determination by the Issuer, after consultation with the Norwegian FSA, that, as a result of a change in Norwegian law or Applicable Banking Regulations or any change in the official application or interpretation thereof becoming effective on or after the Issue Date of the first Tranche of the Notes, the Notes are fully excluded from Tier 2 capital, such determination to be confirmed by the Issuer to the Trustee in a certificate signed by two authorised signatories of the Issuer.

*(k) Substitution or Variation – Subordinated Notes*

This Condition 6(k) applies only to Subordinated Notes and where this Condition 6(k) is specified as being applicable in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement, and references to "Notes" in this Condition shall be construed accordingly.

If at any time a Capital Event occurs and is continuing, the Issuer may, subject to obtaining the prior written consent of the Norwegian FSA (without any requirement for the consent or approval of the Noteholders or the Couponholders or, subject as provided below, the Trustee) on giving not less than 30 nor more than 60 days' notice to the Trustee and the Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable) either substitute all (but not some only) of the Notes for, or vary the terms of the Notes and/or the terms of the Trust Deed so that they remain or, as appropriate, become, Qualifying Securities (as defined below), provided that such substitution or variation does not itself give rise to any right of the Issuer to redeem the substituted or varied securities that are inconsistent with the redemption provisions of the Notes.

The Trustee shall (at the request and expense of the Issuer) agree to the substitution of the Notes for, or the variation of the terms of the Notes so that they remain or, as appropriate, become, Qualifying Securities as aforesaid, provided that (i) the Trustee receives the certificate in the form described in the definition of Qualifying Securities in accordance with the provisions thereof, and (ii) the terms of the proposed Qualifying Securities or the agreement to such substitution or variation, as the case may be, would not impose, in the Trustee's opinion, more onerous obligations upon it or reduce its protections.

In these Conditions:

“**Qualifying Securities**” means securities issued directly or indirectly by the Issuer that:

- (a) have terms not materially less favourable to the Noteholders as a class than the terms of the Notes (as reasonably determined by the Issuer, and provided that a certification to such effect of two authorised signatories of the Issuer shall have been delivered to the Trustee not less than five Business Days prior to (i) in the case of a substitution of the Notes, the issue of the relevant securities or (ii) in the case of a variation of the Notes, such variation, as the case may be), provided that they shall (1) include a ranking at least equal to that of the Notes prior to such substitution or variation, as the case may be, (2) have at least the same interest rate and the same Interest Payment Dates as those from time to time applying to the Notes prior to such substitution or variation, as the case may be, (3) have the same redemption rights as the Notes prior to such substitution or variation, as the case may be, (4) comply with the then current requirements of the Norwegian FSA in relation to Tier 2 capital, (5) preserve any existing rights under the Notes to any accrued or deferred interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation, as the case may be, or, if none, the Interest Commencement Date, and (6) be assigned (or maintain) the

same or higher credit ratings as were assigned to the Notes immediately prior to such substitution or variation, as the case may be; and

- (b) are listed on a recognised stock exchange, if the Notes were listed immediately prior to such substitution or variation, as selected by the Issuer and approved by the Trustee.

## 7. Taxation

All payments of principal and interest in respect of the Notes and Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Kingdom of Norway or any political subdivision or any authority or agency thereof or therein having power to tax unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (i) presented for payment in Norway; or
- (ii) presented for payment by or on behalf of a holder who is liable for such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the Kingdom of Norway other than the mere holding of such Note or Coupon; or
- (iii) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5(d)); or
- (iv) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (v) presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union.

As used herein, the “**Relevant Date**” means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Trustee or the Agent or the Registrar or, in the case of VPS Notes, the holders of the VPS Notes, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

## 8. Prescription

The Notes (whether in bearer, registered or uncertificated book-entry form) and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5(c) or any Talon which would be void pursuant to Condition 5(c).

## 9. Events of Default and Enforcement relating to Unsubordinated Notes

This Condition shall apply only to Unsubordinated Notes and references to “Notes” in this Condition shall be construed accordingly.

- (a) The Trustee at its discretion may, and if so requested in writing by the holders of at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution, shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), (but in the case of the happening of any of the events described in paragraph (ii) only if the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders), give notice in writing to the Issuer that each Note is, and each Note shall thereupon immediately become, due and repayable at its Early Redemption Amount (as described in Condition 6(e)) together with accrued interest as provided in the Trust Deed if any of the following events (each an “**Event of Default**”) shall occur:
- (i) the Issuer is in default, for any reason whatsoever, for more than 14 days in the payment of any interest in respect of the Notes or for more than 7 days in the payment of any principal due on the Notes; or
  - (ii) the Issuer is in default in the performance of any of its obligations (other than to make payments in respect of the Notes) contained in the Notes or the Trust Deed and (except where the Trustee considers such failure to be incapable of remedy when no such continuation or notice as is hereinafter referred to would be required) such default shall continue for more than 30 days (or such longer period as the Trustee may permit) after written notice requiring such default to be remedied shall have been given by the Trustee to the Issuer; or
  - (iii) the Issuer goes into liquidation (except in connection with a merger or reorganisation in such a way that all assets and liabilities of the Issuer pass to another legal person in universal succession by operation of law); or
  - (iv) the Issuer suspends payment or announces its inability to meet its financial obligations when they fall due; or
  - (v) public administration, insolvency, or moratorium proceedings are instituted against the Issuer which shall not have been dismissed or stayed within 60 days after institution, or if the Issuer applies for institution of such proceedings in respect of itself or offers or makes an arrangement for the benefit of creditors.

### **There are no events of default in relation to Subordinated Notes.**

*According to the Norwegian Regulations no. 435 of 1st June, 1990 about calculation of risk capital of financial institutions, clearing houses and security trading companies (FOR 1990-06-01 nr 435: Forskrift om beregning av ansvarlig kapital for finansinstitusjoner, oppgjørssentraler og verdipapirforetak) (as amended or replaced,) Subordinated Notes must not contain provisions permitting a Noteholder to exercise an option to redeem a Subordinated Note before the stated redemption date. Notwithstanding the foregoing, in the event that the Issuer fails to pay interest or principal when due on any Subordinated Note, the holders of such Notes shall be entitled to bring proceedings against the Issuer for payment of such amounts.*

### (b) Enforcement

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Notes and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Notes or the Coupons unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one-fifth in nominal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured to its satisfaction.

No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and the failure shall be continuing.

## 10. Replacement of Notes, Coupons and Talons

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Replacement Agent in the case of Bearer Notes or Coupons, or the Registrar outside the United Kingdom in the case of Registered Notes, upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

## 11. Transfer and Exchange of Registered Notes

### (a) *Form of Registered Notes*

Registered Notes of each Tranche sold outside the United States in reliance on Regulation S under the United States Securities Act of 1933, as amended (the “**Securities Act**”), will initially be represented by a permanent global Note in registered form, without interest coupons (the “**Reg. S Global Note**”), which will either (i) be deposited with a custodian for, and registered in the name of a nominee of, DTC for the accounts of Euroclear and Clearstream, Luxembourg or (ii) be deposited with a common depository or common safekeeper, as the case may be for Euroclear and Clearstream, Luxembourg, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper, as specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement. Notes in definitive form issued in exchange for Reg. S Global Notes or otherwise sold or transferred in reliance on Regulation S under the Securities Act, together with the Reg. S Global Notes, are referred to herein as “**Reg. S Notes**”. Beneficial interests in a Reg. S Global Note registered in the name of a nominee of DTC may be held only through DTC directly, by a participant in DTC, or indirectly, through a participant in DTC, including Euroclear or Clearstream, Luxembourg.

Registered Notes of each Tranche sold in private transactions to qualified institutional buyers within the meaning of Rule 144A under the Securities Act (“**QIBs**”) will initially be represented by a permanent global Note in registered form, without interest coupons (the “**Restricted Global Note**” and, together with the Reg. S Global Note, the “**Registered Global Notes**”), deposited with a custodian for, and registered in the name of a nominee of, DTC. Notes in definitive form issued in exchange for Restricted Global Notes or otherwise sold or transferred in accordance with the requirements of Rule 144A under the Securities Act, together with the Restricted Global Notes, are referred to herein as “**Restricted Notes**”.

Registered Notes of each Tranche sold to accredited investors (as defined in Rule 501(a) (1), (2), (3) or (7) under the Securities Act) which are institutions (“**Institutional Accredited Investors**”) who agree to purchase the Notes for their own account and not with a view to the distribution thereof will be in definitive form, registered in the name of the holder thereof.

Registered Notes in definitive form issued to Institutional Accredited Investors and Restricted Notes shall bear the legend set forth in the Restricted Global Note (the “**Legend**”), such Notes being referred to herein as “**Legended Notes**”. Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the Legend, the Registrar shall (save as provided in Condition 11(f)) deliver only Legended Notes or refuse to remove such Legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

Subject as otherwise provided in this Condition 11, Registered Notes in definitive form may be exchanged or transferred in whole or in part in the authorised denominations for one or more definitive Registered Notes of like aggregate nominal amount.

(b) *Exchange of interests in Registered Global Notes for Registered Notes in definitive form*

Interests in the Reg. S Global Note and the Restricted Global Note will be exchangeable for Registered Notes in definitive form if (i) Euroclear and/or Clearstream, Luxembourg or DTC, as the case may be, notifies the Issuer that it is unwilling or unable to continue as depository for such Registered Global Note or (ii) if applicable, DTC ceases to be a “Clearing Agency” registered under the Securities Exchange Act of 1934, as amended, or the Issuer has been notified that either Euroclear or Clearstream, Luxembourg has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced its intention permanently to cease business or has in fact done so, and a successor depository or alternative clearing system satisfactory to the Issuer, the Trustee and the Agent is not available, or (iii) in the case of Unsubordinated Notes, an Event of Default (as defined in Condition 9) has occurred and is continuing with respect to such Notes or, in the case of Subordinated Notes, a payment default has occurred and is continuing with respect to such Notes, or (iv) the holder of a beneficial interest in the Restricted Global Note notifies the Registrar in writing that it is transferring such beneficial interest to an Institutional Accredited Investor who is required to hold its beneficial interest in the Registered Notes in definitive form, or (v) if the applicable Final Terms or, as the case may be, the applicable Pricing Supplement so permit, a written request for one or more Registered Notes in definitive form is made by a holder of a beneficial interest in a Registered Global Note; provided that in the case of (v) such written notice or request, as the case may be, is submitted to the Registrar by the beneficial owner not later than 60 days prior to the requested date of such exchange. Upon the occurrence of any of the events described in the preceding sentence, the Issuer will cause the appropriate Registered Notes in definitive form to be delivered provided that, notwithstanding the above, no Reg. S Notes in definitive form will be issued until the expiry of the period that ends 40 days after completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer, in the case of a non-syndicated issue, or by the Lead Manager, in the case of a syndicated issue (the “**Distribution Compliance Period**”).

(c) *Transfers of Registered Global Notes*

Transfers of a Registered Global Note registered in the name of a nominee for DTC shall be limited to transfers of such Registered Global Note, in whole but not in part, to a nominee of DTC or to a successor of DTC or such successor’s nominee.

(d) *Transfers of interests in Reg. S Global Notes*

Prior to expiry of the applicable Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Reg. S Global Note to a transferee in the United States will only be made:

- (i) upon receipt by the Registrar of a written certification substantially in the form set out in the Agency Agreement, amended as appropriate (a “**Transfer Certificate**”), copies of which are available from the specified office of the Registrar or any Transfer Agent, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made:
  - (A) to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; or
  - (B) to a person who is an Institutional Accredited Investor, together with a duly executed investment letter from the relevant transferee substantially in the form set out in the Agency Agreement (an “**IAI Investment Letter**”); or
- (ii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities law of any state of the United States,

and, in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

In the case of (A) above, such transferee may take delivery through a Legended Note in global or definitive form and, in the case of (B) above, such transferee may take delivery only through a Legended Note in definitive form. After expiry of the applicable Distribution Compliance Period (i) beneficial interests in Reg. S Global Notes registered in the name of a nominee for DTC may be held through DTC directly, by a participant in DTC, or indirectly through a participant in DTC and (ii) such certification requirements will no longer apply to such transfers.

(e) *Transfers of interests in Legended Notes*

Transfers of Legended Notes or beneficial interests therein may be made:

- (i) to a transferee who takes delivery of such interest through a Reg. S Global Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S and that, if such transfer is being made prior to expiry of the applicable Distribution Compliance Period, the interests in the Notes being transferred will be held immediately thereafter through Euroclear and/or Clearstream, Luxembourg; or
- (ii) to a transferee who takes delivery of such interest through a Legended Note:
  - (A) where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or
  - (B) where the transferee is an Institutional Accredited Investor, subject to delivery to the Registrar of a Transfer Certificate from the transferor to the effect that such transfer is being made to an Institutional Accredited Investor, together with a duly executed IAI Investment Letter from the relevant transferee; or
- (iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any state of the United States,

and in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

Notes transferred by Institutional Accredited Investors to QIBs pursuant to Rule 144A or outside the United States pursuant to Regulation S will be eligible to be held by such QIBs or non-U.S. investors through DTC and the Registrar will arrange for any Notes which are the subject of such a transfer to be represented by the appropriate Registered Global Note, where applicable.

(f) *Exchanges and transfers of Registered Notes generally*

Registered Notes may not be exchanged for Bearer Notes and vice versa.

Holders of Registered Notes in definitive form, other than Institutional Accredited Investors, may exchange such Notes for interests in a Registered Global Note of the same type at any time.

Transfers of beneficial interests in Registered Global Notes will be effected by DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will be transferable and exchangeable for Notes in definitive form or for a beneficial interest in another Registered Global Note only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream, Luxembourg, as the case may be (the “**Applicable Procedures**”).

Upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement) by the holder or holders surrendering the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and upon the Registrar or, as the case may be, the relevant Transfer Agent, after due and careful enquiry, being satisfied with the documents of title and the identity of the person making the request and subject to such reasonable regulations as the Issuer, the Trustee and the Registrar, or as the case may be, the relevant Transfer Agent prescribe, including any restrictions imposed by the Issuer on transfers of Registered Notes originally sold to a U.S. person. Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations) authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by mail to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

Exchanges or transfers by a holder of a Registered Note in definitive form for an interest in, or to a person who takes delivery of such Note through, a Registered Global Note will be made no later than 60 days after the receipt by the Registrar or as the case may be, relevant Transfer Agent of the Registered Note in definitive form to be so exchanged or transferred and, if applicable, upon receipt by the Registrar of a written certification from the transferor.

*(g) Registration of transfer upon partial redemption*

In the event of a partial redemption of Notes under Condition 6, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

*(h) Closed Periods*

No Noteholder may require the transfer of a Registered Note to be registered during the period of 30 days ending on the due date for any payment of principal or interest on that Note.

*(i) Costs of exchange or registration*

The costs and expenses of effecting any exchange or registration of transfer pursuant to the foregoing provisions (except for the expenses of delivery by other than regular mail (if any) and, if the Issuer shall so require, for the payment of a sum sufficient to cover any tax or other governmental charge or insurance charges that may be imposed in relation thereto which will be borne by the Noteholder) will be borne by the Issuer.

**12. Agent, Paying Agents, Exchange Agent, Transfer Agent, Registrar and VPS Account Manager**

The names of the initial Agent, the initial Registrar and the other initial Paying Agents, the initial Exchange Agent and the initial Transfer Agent and their initial specified offices are set out below.

The Issuer is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of any Paying Agent or the Registrar or the Exchange Agent or any Transfer Agent or any VPS Account Manager or any Calculation Agent and/or appoint additional or other Paying Agents or additional or other Registrars, Exchange Agents, Transfer Agent, VPS Account Managers or

Calculation Agents and/or approve any change in the specified office through which any Paying Agent, Registrar, Exchange Agent, Transfer Agent, VPS Account Manager or Calculation Agent acts, provided that (other than in the case of Swiss Domestic Notes):

- (i) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority there will at all times be a Paying Agent (which may be the Agent), in the case of Bearer Notes, and a Transfer Agent (which may be the Registrar), in the case of Registered Notes, with a specified office in such place as may be required by the rules and regulations of such stock exchange or other relevant authority;
- (ii) there will at all times be a Paying Agent (which may be the Agent) with a specified office in a city in continental Europe outside Norway;
- (iii) there will at all times be an Agent;
- (iv) there will at all times be a Transfer Agent having a specified office in a place approved by the Agent;
- (v) so long as any of the Registered Global Notes are held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in London;
- (vi) there will at all times be a Registrar with a specified office outside the United Kingdom and, so long as the Notes are listed on any stock exchange, in such place as may be required by the rules and regulations of the relevant stock exchange;
- (vii) there will at all times be a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive;
- (viii) there will at all times be a Paying Agent in a jurisdiction within Europe other than Switzerland that will not be required to withhold or deduct tax pursuant to laws enacted in Switzerland providing for the taxation of payments according to principles similar to those laid down (A) in European Council Directive 2003/48/EC or (B) in the draft legislation proposed by the Swiss Federal Council on 22nd December, 2010, in particular the principle to have a person other than the Issuer withhold or deduct tax; and
- (ix) in the case of VPS Notes, there will at all times be a VPS Account Manager authorised to act as an account operating institution with the VPS and one or more Calculation Agent(s) where the Terms and Conditions of the relevant VPS Notes so require.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the eleventh paragraph of Condition 5(c). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency or of a Paying Agent failing to become or ceasing to be a participating foreign financial institution for the purposes of the Code, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14.

In the case of Swiss Domestic Notes, the Issuer will at all times maintain a Paying Agent having a specified office in Switzerland and qualifying as a Swiss bank or securities dealer and will at no time appoint a Paying Agent having a specified office outside Switzerland in relation to such Swiss Domestic Notes and so long as the Swiss Domestic Notes are listed on any stock exchange or admitted to listing by any other relevant authority there will at all times be a Paying Agent (which may be the Agent) with a specified office in such place as may be required by the rules and regulations of such stock exchange or other relevant authority.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and, in certain circumstances specified therein, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

### **13. Exchange of Talons**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8.

### **14. Notices**

All notices regarding the Bearer Notes (other than Swiss Domestic Notes) shall be published in a leading English language daily newspaper of general circulation in London. It is expected that any such publication in a newspaper will be made in the *Financial Times* or any other daily newspaper in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other stock exchange (or any other relevant authority) on which the Bearer Notes are for the time being listed or by which they have been admitted to listing. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in each such newspaper or where published in such newspapers on different dates, the last date of such first publication. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any definitive Notes are issued, there may (provided that, in the case of Notes listed on a stock exchange, the rules of such stock exchange (or other relevant authority) permit), so long as the global Note(s) is or are held in its/their entirety on behalf of Euroclear and/or Clearstream, Luxembourg or DTC, be substituted for such publication in such newspaper(s) or mailing the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, for communication by them to the holders of the Notes. Any such notice shall be

deemed to have been given to the holders of the Notes on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be.

Notices to be given by any holder of the Notes (other than Swiss Domestic Notes) shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes is represented by a global Note, such notice may be given by any holder of a Note to the Agent or the Registrar via Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, in such manner as the Agent and/or the Registrar and/or Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, may approve for this purpose. Notices to be given by any holder of Swiss Domestic Notes shall be given in the manner specified in the applicable Pricing Supplement.

Notices to holders of Swiss Domestic Notes will, save where another means of effective communication has been specified in the applicable Pricing Supplement, be deemed to be validly given (i) if published in a leading daily newspaper with national circulation in Switzerland (which is expected to be the *Neue Zürcher Zeitung*), (ii) in the case of Swiss Domestic Notes represented by a Swiss Global Note and not admitted to trading on the standard for bonds of the SIX Swiss Exchange, if published on the website specified in the applicable Pricing Supplement or (iii) in the case of Swiss Domestic Notes admitted to trading on the standard for bonds of the SIX Swiss Exchange, if published in electronic form on the website of the SIX Swiss Exchange ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)) under the section headed “Official Notices” or otherwise in accordance with the regulations of the SIX Swiss Exchange. Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of first such publication) or, as the case may be, on the date of such delivery.

In the case of VPS Notes, notices shall be given in accordance with the procedures of the VPS.

## **15. Meetings of Noteholders, Modification, Waiver and Substitution**

### *(a) Meetings of Noteholders*

#### *(i) Holders of Bearer Notes and/or Registered Notes*

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Trust Deed. The Issuer, with the agreement of the Trustee, may modify or vary such provisions to reflect the requirements from time to time of Euroclear, Clearstream, Luxembourg or the Intermediary. Any such modification or variation will be notified to the Noteholders in accordance with Condition 14. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer if required in writing by Noteholders holding not less than 5 per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons or the Trust Deed (including modifying the date of maturity of the Notes or any date for payment of interest thereof, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in aggregate nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in aggregate nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present

at the meeting, and on all Couponholders.

(ii) *Holders of VPS Notes*

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the VPS Notes or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer if required in writing by Noteholders holding not less than 5 per cent. in nominal amount of the VPS Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding a certificate (dated no earlier than 14 days prior to the meeting) from either the VPS or the VPS Account Manager stating that the holder is entered into the records of the VPS as a Noteholder or representing not less than 50 per cent. in nominal amount of the VPS Notes for the time being outstanding and providing an undertaking that no transfers or dealing have taken place or will take place in the relevant VPS Notes until the conclusion of the meeting, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the VPS Notes or the Trust Deed (including modifying the date of maturity of the VPS Notes or any date for payment of interest thereof, reducing or cancelling the amount of principal or the rate of interest payable in respect of the VPS Notes or altering the currency of payment of the VPS Notes), the quorum shall be one or more persons holding or representing not less than two-thirds in aggregate nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in aggregate nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting.

For the purposes of a meeting of Noteholders, the person named in the certificate from the VPS or the VPS Account Manager described above shall be treated as the holder of the VPS Notes specified in such certificate provided that he has given an undertaking not to transfer the VPS Notes so specified (prior to the close of the meeting) and the Trustee shall be entitled to assume that any such undertaking is validly given, shall not enquire as to its validity and enforceability, shall not be obliged to enforce any such undertaking and shall be entitled to rely on the same.

(b) *Modification, Waiver and Substitution*

The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest or (to the satisfaction of the Trustee) proven error or to comply with mandatory provisions of Norwegian law. Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Couponholders (whatever

their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders or Couponholders except to the extent already provided for in Condition 7 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 7 pursuant to the Trust Deed.

The Trustee may, without the consent of the Noteholders or Couponholders, agree with the Issuer, to the substitution in place of the Issuer (or of any previous substitute under this Condition) (the “**Substituted Obligor**”) as the principal debtor under the Notes, Coupons and the Trust Deed of another company, being a Subsidiary of the Issuer or a successor in business of the Issuer or a Subsidiary of the successor in business of the Issuer, subject to (a) unless such substituted company is a successor in business of the Issuer, the Notes being unconditionally and irrevocably guaranteed by the Issuer or its successor in business, (b) the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution and (c) certain other conditions set out in the Trust Deed being complied with. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders or Couponholders, to a change in the law governing the Notes, the Coupons and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

Notice of any such substitution shall be given by the Substituted Obligor to the Noteholders in accordance with Condition 14 and the provisions of the Trust Deed.

#### **16. Indemnification of the Trustee and Trustee Contracting with the Issuer**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any of its Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any of its Subsidiaries, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or Couponholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

#### **17. Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or Couponholders to create and issue further notes (“**Further Notes**”) having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes provided, however, that in the case of any issue of Notes in registered form, for purposes of U.S. federal income taxation (regardless of whether any Noteholders are subject to U.S. federal income tax laws) are issued in a “qualified reopening” for U.S. federal income tax purposes.

#### **18. Provision of Information**

For so long as any Restricted Notes remain outstanding and are “restricted securities” (as defined in Rule 144(a)(3) under the Securities Act), the Issuer shall, during any period in which it is neither subject to Sections 13 or 15(d) of the United States Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, make available to any holder of, or beneficial owner of an interest in, such Notes in connection with any resale thereof and to any prospective purchaser designated by such holder or beneficial owner, in each case upon request, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act.

## 19. Third Party Rights

Save as provided in Condition 18, no rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

## 20. Governing Law and Submission to Jurisdiction

- (a) The Trust Deed, Agency Agreement, the Notes and the Coupons and any non-contractual obligations arising therefrom or in connection therewith are governed by, and shall be construed in accordance with, English law except for the provisions of Condition 3 which shall be governed by, and shall be construed in accordance with, the laws of the Kingdom of Norway. VPS Notes must comply with the Norwegian Securities Register Act of 5th July, 2002 no. 64, as amended from time to time and the holders of VPS Notes will be entitled to the rights and are subject to the obligations and liabilities which arise under this Act and any related regulations and legislation.
- (b) The Issuer agrees, for the exclusive benefit of the Trustee, the Paying Agents, the Noteholders and the Couponholders that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed, the Agency Agreement, the Notes and/or the Coupons (including a dispute relating to any non-contractual obligations arising therefrom or in connection therewith) and that accordingly any suit, action or proceedings (together referred to as “**Proceedings**”) arising out of or in connection with the Trust Deed, the Agency Agreement, the Notes and the Coupons (including any Proceedings relating to any non-contractual obligations arising out of or in connection therewith) may be brought in such courts.

The Issuer hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgment in any such Proceedings brought in the English courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

Nothing contained in this Condition shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

The Issuer appoints DNB Bank ASA (London Branch) at its registered office for the time being at 8th Floor, The Walbrook Building, 25 Walbrook, London, EC4N 8AF as its agent for service of process, and undertakes that, in the event of DNB Bank ASA (London Branch) ceasing so to act or ceasing to be registered in England, it will appoint another person approved by the Trustee as its agent for service of process in England in respect of any Proceedings.

Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes or for such other reason as may be specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement.

## DESCRIPTION OF THE ISSUER

### Introduction

DNB ASA and its subsidiaries (the “**Group**” or “**DNB Group**”) constitute Norway's largest financial services group in terms of total assets with consolidated assets of NOK 2,790 billion as at 31st March, 2015 (*source: DNB*). The DNB Group has more than 2.1 million private individual customers, some 220,000 corporate customers and around 1,100,000 life and pension insurance customers in Norway.

The DNB Group offers a full range of financial services including lending, deposits, foreign exchange and interest rate products, investment banking products, life insurance and pension saving products, non-life insurance products, equity funds, asset management and securities operations as well as real estate brokering. In all segments of the Norwegian financial sector, the DNB Group enjoys leading market positions.

DNB Bank ASA (the “**Issuer**” or “**DNB Bank**”) is Norway's largest bank. As of 28th February, 2015, DNB Bank's market share (Norwegian customers) in lending to households was 25.9 per cent. and 11.3 per cent. in corporate lending (*source: Statistics Norway and DNB*). DNB Bank is 100 per cent. owned by DNB ASA.

### Legal structure history

The merger between DnB Holding ASA and Gjensidige NOR ASA was registered in the Register of Business Enterprises on 4th December, 2003 and the new holding company was renamed DnB NOR ASA. DnB Holding ASA was the acquiring holding company. The two bank subsidiaries, Den norske Bank ASA and Union Bank of Norway ASA, respectively, merged on 19th January, 2004. Union Bank of Norway ASA was the acquiring bank. Through various mergers, it can trace its roots back to 1822, when Norway's first savings bank was founded. The new bank was named DnB NOR Bank ASA. With effect from 11th November, 2011, DnB NOR Bank ASA was renamed DNB Bank ASA.

On 10th September, 2002, Union Bank of Norway ASA was demutualised from a self-owned institution and incorporated as a public limited company with registration number 984 851 006 under the Norwegian Act on Commercial Banks of 24th May, 1961 No. 2.

On 31st May, 2012, the Board of Directors (as defined below) approved the merger of the Issuer and Nordlandsbanken ASA. The merger became effective on 1st October, 2012.

The registered office of the Issuer is at Dronning Eufemias gate 30, N-0021, Oslo, Norway and its telephone number is +47 915 03000.

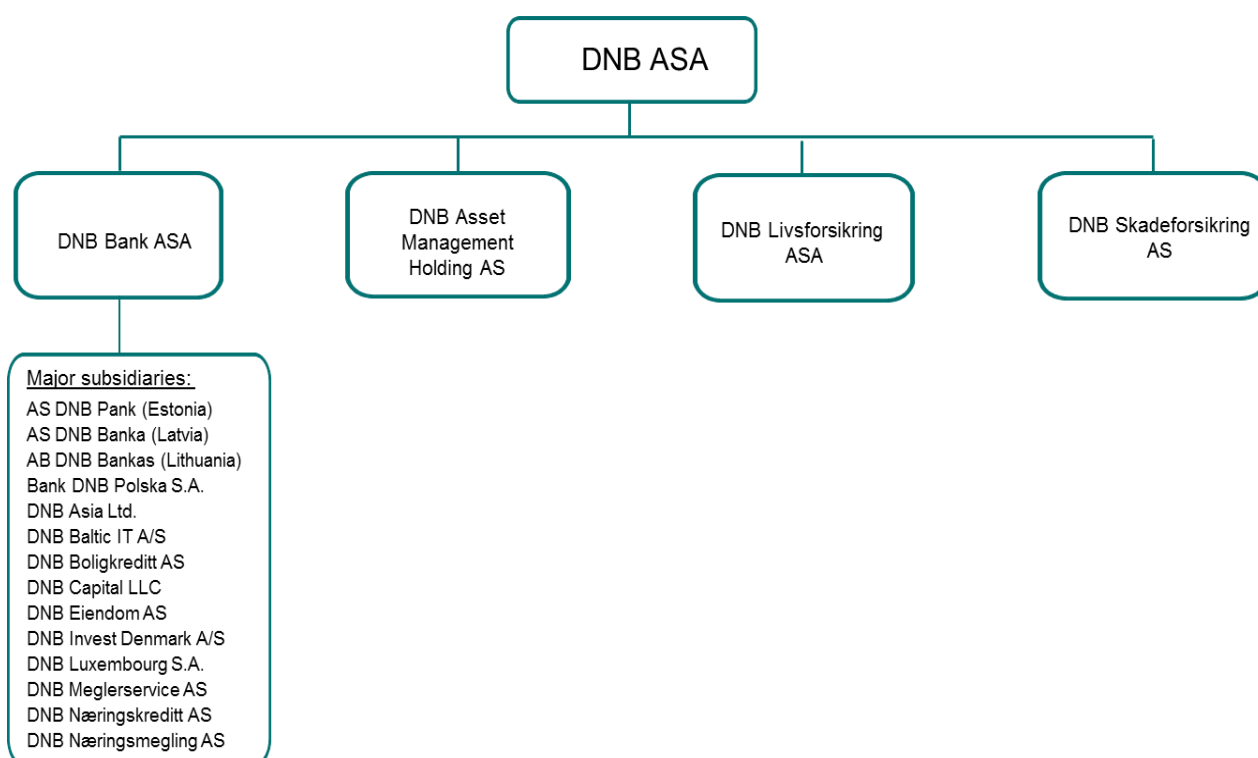
### Corporate object

Pursuant to Article 1-2 of the Articles of Association of the Issuer, the corporate object of the Issuer is to perform all types of business and services that are customary or natural for banks to engage in within the scope of Norwegian legislation in force at any time.

## DNB Group - legal structure at 31st March, 2015

In accordance with the requirements of the Norwegian regulatory authorities, the banking, asset management and insurance activities of DNB Group are organised in separate limited companies under the holding company DNB ASA. Banking activities are organised in DNB Bank ASA and its subsidiaries (together, the “**Bank Group**”). Asset management activities are organised under DNB Asset Management Holding AS. DNB Livsforsikring ASA offers life insurance and pension saving products. DNB Skadeforsikring AS offers non-life insurance products as part of a total product package for retail customers.

The chart below shows the legal structure of the DNB Group at 31st March, 2015 (reflecting the major companies of the Group).



### **DNB Group's strategy**

DNB Group's strategic platform consists of the DNB Group's vision and values and a shared customer value proposition.

DNB Group's vision and values are about putting the customers in focus. By having satisfied customers whose need for financial services are well met, DNB Group aims to be the leading bank throughout Norway and a leading international player within selected customer segments, products and geographic areas.

The strategy focuses on capital efficiency, customer experience and corporate culture.

### ***Capital Efficiency***

DNB Group will give priority to growth within the areas which ensure the best risk-adjusted return, with special emphasis on non-capital intensive products and services.

### ***Customer Experience***

DNB Group wishes to ensure that customers have a good experience every time they are in contact with the bank. Innovation and development and good access to the DNB Group's services are key elements in this respect. DNB Group will show initiative, build trust and make sure that the size of the DNB Group is advantageous for its customer. This is underlined by DNB Group's customer value proposition: "Here for you. Every day. When it matters the most."

Good customer experiences, along with local competitive power and in-depth industry knowledge, is important to consolidate and strengthen DNB Group's position among customers.

### ***Corporate Culture***

DNB Group's operational structure reflects the DNB Group's customer segments and aims to ensure efficient adaption to changes in customer behaviour and the development of products and services tailored to the needs of the various customer segments. DNB Group's corporate culture should be characterized by change capacity, engagement, good leadership and effective communication. Close cooperation between the various group units will ensure that customers get access to the DNB Group's full range of services.

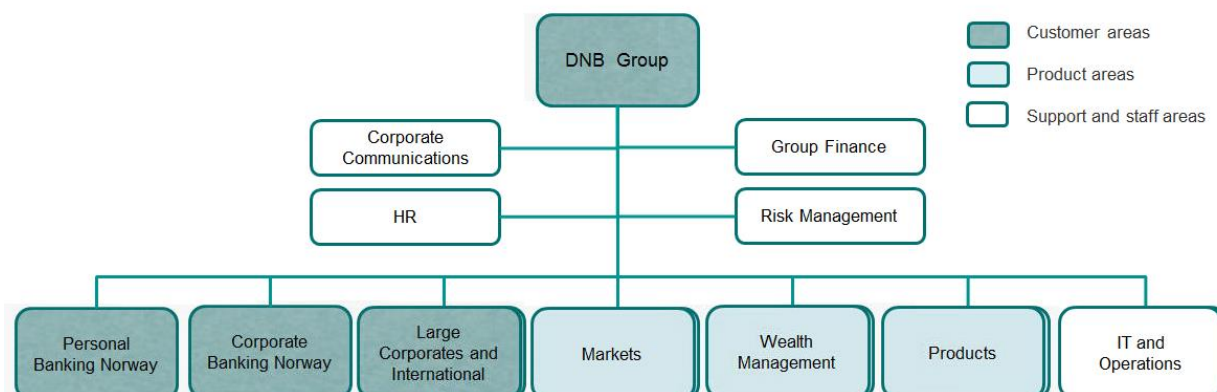
### ***DNB Bank's strategy***

DNB Bank is the main unit in the DNB Group, and DNB Bank's strategy is thus clearly coordinated with the DNB Group's overall strategy.

## Operational structure – DNB Group

The operational structure of DNB Group deviates from its legal structure. The operational structure is adapted to the DNB Group's business operations and aims to ensure high-quality customer service and products as well as efficient operations.

Customer areas are responsible for customer relationships and customer service, while product areas are responsible for the development of key products. Operational tasks and group services are carried out by the DNB Group's support and staff units, which provide infrastructure and cost-efficient services for the business units. All activities in the subsidiaries fall within the area relevant to such subsidiaries' primary operations.



## Reporting structure DNB Bank Group– Business segments

Financial governance in the DNB Group is geared to the different customer segments. The follow-up of total customer relationships and segment profitability are two important dimensions when making strategic priorities and deciding where to allocate the DNB Bank Group's resources. Special product areas are responsible for production and development for parts of the product range and for ensuring that the DNB Bank Group meets the needs of the various customer segments. Reported figures for the different segments, as further described below, will reflect the DNB Bank Group's total sales of products and services to the relevant customer segments.

### Personal customers -

this segment includes the DNB Group's 2.1 million personal customers in Norway. The segment includes the DNB Group's total products and activities to private customers in all channels, both digital and physical. The DNB Group offers a wide range of products through Norway's largest distribution network, comprising branches, telephone banking (24/7), digital banking, real estate broking as well as external channels (post offices and in-store postal and banking outlets).

Pre-tax operating profits totalled NOK 2,238 million in the first quarter of 2015, up NOK 237 million from the first quarter of 2014. Average loans to customers (including accrued interest, impairment and value adjustments) amounted to NOK 680 billion in the first quarter of 2015. A large share of loans to personal customers represents well-secured home mortgages.

Small and medium-sized enterprises – this segment is responsible for product sales and advisory services to small and medium-sized enterprises in Norway. The DNB Group aspires to be a local bank for the whole of Norway, while offering the products and expertise of a large

bank. Customers in the segment range from small businesses and start-up companies to relatively large corporate customers, and the product offerings are adapted to the customers' different needs. Small and medium-sized enterprises are served through the DNB Group's large physical distribution network throughout Norway as well as digital and telephone banking (24/7).

Pre-tax operating profits amounted to NOK 803 million in the first quarter of 2015, an increase of NOK 10 million from the first quarter of 2014.

The DNB Group is committed to supporting customers who want to start their own business and is working on measures that will help newly established companies streamline their business activities.

Large corporates and international customers – the segment includes large Norwegian and international corporate customers including all customers in the Baltics and Poland. Operations are based on sound industry expertise and long-term customer relationships.

Pre-tax operating profits came to NOK 2,806 million in the first quarter of 2015, NOK 1 million down from the year-earlier period.

The DNB Group gives priority to strong, long-term profitable customer relationships and on further developing key customer segments. The Bank Group's wide range of products and broad expertise are key elements in efforts to strengthen customer relationships and form the basis for operations over the coming years.

Trading -

includes market making and other trading activities in fixed income, currencies and commodities (FICC) as well as equities, including risk management of the risk inherent in customer transactions. Markets' trading activities support the customer activities.

In the first quarter of 2015, there was a pre-tax operating profit of NOK 474 million, representing a reduction of NOK 117 million from the year-earlier period. Income from proprietary trading was at a satisfactory level in the first quarter of 2015, driven by income from the bond, money and currency markets. Profit performance was considered to be particularly strong in the first quarter of 2014.

### **Overview of the Issuer's Subsidiaries**

The following table provides a summary of the subsidiaries of the Issuer as of 31st December, 2014.

## Investments in subsidiaries as at 31st December, 2014

						DNB Bank ASA	
<i>Amounts in NOK 1 000</i>		Share	Number	Nominal	Ownership	Carrying	
<i>Values in NOK unless otherwise indicated</i>		capital	of shares	value	share in	amount	
					per cent		
<b>Foreign subsidiaries</b>							
DNB Invest Denmark	DKK	12 765 228	12 765 228 468	DKK	12 765 228	100.00	10 012 079
DNB Bankas	LTL	656 665	5 710 134	LTL	656 665	100.00	3 320 431
DNB Banka	EUR	191 178	191 178 337	EUR	191 178	100.00	2 109 109
DNB Bank	EUR	9 376	937 643	EUR	9 376	100.00	902 480
DNB Bank Polska	PLN	1 257 200	1 257 200 000	PLN	1 257 200	100.00	1 773 563
Den Norske Syndicates	GBP	200	200 000	GBP	200	100.00	2 302
DNB Asia <sup>1)</sup>	USD	1 500 000	150 000 000	USD	1 500 000	100.00	11 080 875
DNB Asia <sup>1)</sup>	SGD	20 000	20 000 000	SGD	20 000	100.00	100 768
DNB Brasil	BRL	600	600 000	BRL	600	100.00	2 290
DNB Capital <sup>2)</sup>	USD			USD		100.00	17 729 400
DNB Luxembourg	EUR	30 000	70 000	EUR	30 000	100.00	269 367
DNB Markets Inc.	USD	1	1 000	USD	1	100.00	2 704
DNB Reinsurance		21 000	21 000		21 000	100.00	21 000
DNB Sweden	SEK	50	50 000	SEK	50	100.00	48
Pres-Vac	DKK	19 797	19 797 230	DKK	19 797	100.00	66 024
<b>Domestic subsidiaries</b>							
Bryggetorget Holding		3 000	3 000		3 000	100.00	77 076
Digital Wallet		297	2 970		297	100.00	19 761
DNB Boligkreditt		3 077 000	30 770 000		3 077 000	100.00	25 584 000
DNB Eiendom		10 003	100 033		10 003	100.00	158 021
DNB Eiendomsutvikling		91 000	91 000 000		91 000	100.00	238 731
DNB Gjenstandsadministrasjon		3 000	30		3 000	100.00	3 000
DNB Invest Holding		100 000	200 000		100 000	100.00	243 000
DNB Meglerservice		1 200	12		1 200	100.00	10 220
DNB Næringskreditt		550 000	550 000		550 000	100.00	5 240 942
DNB Næringsmegling		1 000	10 000		1 000	100.00	24 000
DNB Polish Properties		1 200	1 200		1 200	100.00	65 113
E6 Logistikk		1 389	138 898		1 389	100.00	101 248
Godfjellet		8 030	8 030		8 030	100.00	55 126
Godsengen		100	100		100	100.00	31 030
Kongsberg Industrieiendom		100	1 000		100	100.00	10 000
Nordlandsbanken Invest		2 600	2 600		2 600	100.00	12 690
<b>Total investments in subsidiaries</b>							<b>79 266 398</b>

- 1) DNB Asia Ltd has part of its share capital denominated in SGD (due to local requirements) and a part of its share capital denominated in USD.
- 2) DNB Capital LLC, a limited liability company, has paid-in capital of USD 2.4 billion.

## Risk Measurement and Risk-adjusted Capital

Risk-adjusted capital is a measure of the risk of losses generated by various business operations. Risk-adjusted capital makes it possible to compare risk across risk categories. Average losses over a normal business cycle represent expected costs which should primarily be covered through correct pricing. Risk-adjusted capital should cover unexpected losses. Calculations of risk-adjusted capital are based on statistical methods. However, calculations of risk-adjusted capital require a certain level of discretion and estimation, which could, if changed, have an impact on capital estimates.

DNB Group quantifies risk-adjusted capital for the following risk categories: credit risk, market risk, market risk in life insurance, insurance risk, risk in non-life insurance, operational risk and business risk. Risk-adjusted capital for the various risk categories is calculated separately as well as for the DNB Group as a whole. In addition, risk-adjusted capital is calculated for all business areas. Calculations are used in profitability measurement and as decision support within risk management.

## Risk Appetite

The risk appetite concept is an industry best practice enabling organisations to include risk as part of planning and strategy processes and thus react more swiftly to changing surroundings. DNB

Group's risk appetite framework will represent an operationalisation of the DNB Group's current risk policy and guidelines, ensuring that risk is managed and integrated with other key steering processes in the organisation in a practical, structured, transparent and synchronised manner.

DNB Group's risk appetite framework consists of different risk appetite statements covering the risk dimensions considered to be significant for the DNB Group, and which added up give a good view of the total risk. The risk appetite statements set defined reference points against which the risk consequences of the organisation's strategic and financial planning should be evaluated. The statements have been formulated along the dimensions of profitability and earnings, capitalisation, market risk, insurance risk, credit risk, liquidity risk, operational risk and reputational risk

The DNB Group-level limits will be cascaded to business and support unit level. This is important to ensure that the risk appetite statements become more tangible and relevant in both strategy and planning processes as well as in day-to-day operations at business unit level.

To support the framework a set of governance principles and operational procedures and responsibilities within the DNB Group have been developed. These are vital to ensure that risk appetite contributes to risk being managed and integrated with other key steering processes in DNB Group, while still maintaining the required independence to function as a reference point for risk consequences of the organisation's strategic and financial planning.

A governance principal is that ownership of the framework must rest with the Board of Directors. All changes to the framework and the governance principles are to be approved by the Board of Directors. The risk appetite framework is also to be reviewed at least once a year in a process initiated by the DNB Group's chief risk officer. The annual review is to take place independent of the strategic and financial planning process. There will be monthly reporting of actual risk exposure within the DNB Group. Based on this reporting structure there are pre-defined procedures for following up and handling risks that are approaching critical levels vis-à-vis the risk appetite statements, and for risk elements that may have exceeded such levels. Each risk appetite statement is also to be assigned an owner within the administration who will be responsible for follow-up if risk levels are exceeded.

## **Risk Management**

The primary aim of risk management in DNB Group is to achieve an optimal balance between the DNB Group's risk of losses and its earnings potential in a long-term perspective. Risk management implies that profitability is considered relative to risk, while ensuring that the DNB Group is secured against unintentional risk.

Healthy risk management is based on a strong risk culture, which is characterised by a high level of awareness concerning risk and risk management in the organisation. A common risk management framework provides the basis for developing a sound culture and for effective management of the DNB Group.

### Risk categories

In DNB Group, risk is divided into different categories which are subject to special measurements and management.

#### *Credit risk*

Credit risk (or counterparty risk) is the risk of financial losses due to failure on the part of the DNB Group's customers (counterparties) to meet their payment obligations towards DNB Group. Credit risk refers to all claims against customers/counterparties, principally loans, but also obligations related to other approved credits, guarantees, fixed-income securities, undrawn credits and interbank deposits, as well as counterparty risk incurred in connection with trading in currency and interest rate derivatives. In addition, there are significant elements of counterparty risk in the settlement risk which arises in connection with payment transfers and the settlement of contracts. Credit risk also includes concentration risk, including risk associated with large exposures to one and the same customer,

concentration within a geographic area or industry or exposures to homogeneous customer groups. Residual risk is the risk that the collateral provided for a credit exposure fails to meet expectations.

DNB Group's credit process is based on the DNB Group's credit policy, which is approved by the Board of Directors. The primary aim of credit operations is to maintain a credit portfolio with a composition and quality that ensures the bank's short and long-term profitability. The quality of the credit portfolio should be consistent with DNB Group's low risk profile target.

The DNB Group aims to avoid large risk concentrations, including large exposures to a customer or customer group as well as clusters of commitments in high-risk categories, industries and geographical areas. Developments in risk concentrations are monitored closely with respect to volume, risk category and risk-adjusted capital. Exposures to large customers and customer groups are followed up based on risk category and risk-adjusted capital.

The risk classification systems are used as decision support and for continual risk monitoring and reporting. Probability of default, expected losses and risk-adjusted capital for commitments on an individual and portfolio basis are an integral part of the credit process and ongoing monitoring, including the follow-up of credit strategies.

#### *Market risk*

Market risk is the risk of losses due to unhedged positions in the foreign exchange, interest rate, commodity and equity markets. The risk arises in consequence of fluctuations in profits due to changes in market prices or exchange rates. Market risk includes both risk that arises through ordinary trading activities and risk that arises as part of banking activities. The DNB Group is also exposed to substantial market risk in the insurance operations, in particular in the life insurance company DNB Livforsikring ASA.

Market risk in life insurance is the risk that the return on financial assets will not be sufficient to meet the obligations specified in insurance policies.

#### *Insurance risk*

Insurance risk is incurred by DNB Livsforsikring ASA and DNB Skadeforsikring ASA and is related to changes in future insurance obligations. Within life insurance, such risk reflects changes in life expectancy and disability rates. Within non-life insurance, insurance risk is related to the frequency and size of future claims payments.

#### *Liquidity risk*

Liquidity risk is the risk that the DNB Group will be unable to meet its obligations as they fall due, and the risk that the DNB Group will be unable to meet its liquidity obligations without a substantial rise in appurtenant costs. Liquidity is vital to financial operations though this risk category will often be conditional in the respect that it will not materialise until other events give rise to concern regarding the DNB Group's ability to meet its obligations. Liquidity risk is not quantified in the form of risk-adjusted capital but is followed up through limit management and stress tests.

#### *Operational risk*

Operational risk is the risk of losses due to deficiencies or errors in processes and systems, errors made by employees or external events.

Operational risk is a risk category which covers most costs associated with shortcomings in the quality of the DNB Group's operations. As for other risk categories, DNB Group aims to document low risk and high quality. Thus, great emphasis is placed on risk and quality in the operation and management of the DNB Group. Special sections have been established in all business areas and support units, carrying responsibility for the practical aspects of operational risk management.

Contingency and business continuity plans are central tools in operational risk management and subject to continual quality control.

#### *Business risk*

Business risk relates to fluctuations in profits due to changes in external factors such as the market situation, government regulations or the loss of income due to a weakened reputation. Reputational risk is often a consequence of other risk categories. The DNB Group's business risk is primarily handled through the strategy process and ongoing efforts to safeguard and improve the DNB Group's reputation. When determining and following up the DNB Group's risk appetite, reputational risk is defined as a separate risk dimension.

In addition to the risks described above, the DNB Group is exposed to strategic risk, which can be defined as the risk of a decline in profits if the DNB Group fails to exploit existing strategic opportunities. The DNB Group's strategic risk is not measured or reported individually, but is discussed as part of the annual strategy process.

## SHAREHOLDERS, MANAGEMENT AND EMPLOYEES

The Issuer is 100 per cent. owned by DNB ASA. The following table sets forth, as at 31st March, 2015, the 20 largest shareholders of DNB ASA, the number of shares held by each such shareholder, and the percentage of outstanding shares represented by each shareholding.

### Major Shareholders

	Shares in 1 000	Ownership in per cent
Norwegian Government/Ministry of Trade, Industry and Fisheries	553 792	34,00
DNB Savings Bank Foundation	153 283	9,41
Folketrygdfondet	98 077	6,02
MFS Investment Management	38 286	2,35
SAFE Investment Company	27 701	1,70
Blackrock Investments	26 961	1,66
Fidelity Worldwide Investments	25 775	1,58
Henderson Global Investors	25 637	1,57
Vanguard Group	21 052	1,29
Saudi Arabian Monetary Agency	20 346	1,25
T Rowe Price Global Investments	18 191	1,12
DNB Asset Management	18 138	1,11
UBS Global Asset Management	17 435	1,07
BNP Paribas Investment Partners	16 351	1,00
Jupiter Asset Management	16 334	1,00
Schroder Investment Management	16 169	0,99
Storebrand Investments	14 594	0,90
KLP	14 411	0,88
Standard Life Investments	13 868	0,85
Newton Investment Management	13 702	0,84
<b>Total largest shareholders</b>	<b>1 150 103</b>	<b>70,61</b>
Other shareholders	478 696	29,39
<b>Total</b>	<b>1 628 799</b>	<b>100,00</b>

### Supervisory Board

#### *Responsibility and organisation*

The Issuer has a supervisory board (“**Supervisory Board**”) which is in accordance with the Norwegian Financial Institutions Act and the Issuer's articles of association. The Supervisory Board consists of 30 members with 9 deputies, 20 members elected by the shareholders and 10 members elected by the employees. The members of the Supervisory Board are elected for two-year terms.

The Supervisory Board annually elects its chairman and vice-chairman from among its members. The current chairman is Eldbjørg Løwer and the current vice-chairman is Randi Eek Thorsen.

The main responsibility of the Supervisory Board is to supervise the Board of Directors of the Issuer (the “**Board of Directors**”) and the chief executive officer's (“**CEO**”) management of the Issuer. The Supervisory Board must also submit a statement to the Issuer's general meeting of shareholders on whether the Issuer's Board of Directors' proposal for the income statement and balance sheet should be approved, as well as on the Board of Directors' proposal for allocation of the profit or loss cover. Pursuant to the Issuer's articles of association, the Supervisory Board elects the board members and deputies (including the chairman and the vice-chairman), the election committee and the external auditor and determines their remuneration. The Supervisory Board also determines the

remuneration of the CEO. Furthermore the Supervisory Board has established the guidelines for the Control Committee (as defined below) and may adopt recommendations to the Board of Directors on all matters.

The Supervisory Board holds meetings as often as necessary, and when requested by the Board of Directors, its Control Committee or at least one-sixth of the members of the Supervisory Board.

#### *Members of the Supervisory Board*

The members of the Supervisory Board and their business addresses are as follows:

#### **a) Members elected by the shareholders**

<b>Name</b>	<b>Business address</b>
Eldbjørg Løwer (Chairman)	Tollumløkkka 39A, 3611 Kongsberg, Norway
Randi Eek Thorsen (Vice-chairman)	Pb. 555 Sentrum, 0105 Oslo, Norway
Inge Andersen	Ullevål Stadion, 0840 Oslo, Norway
Lars Tronsgaard	Folketrygdfondet, Postboks 1845 Vika, 0123 Oslo, Norway
Toril Eidesvik	Strandgt 92, 5528 Haugesund, Norway
Sondre Gravir	Biskop Gunnerus' gt 14 A, 0051 Oslo
Camilla Grieg	C. Sundtsgt. 17-19, Postboks 781, Sentrum, 5807 Bergen, Norway
Jørgen Ole Haslestad	Bygdøy Allé 2 , 0202 Oslo
Nalan Koc	Framsenteret, 9296 Tromsø, Norway
Christian Printzell	FINN.no, Grensen 5/7, 0159 Oslo, Norway
Thomas Leire	Postboks 409, 4604 Kristiansand, Norway
Helge Møgster	Alfabygget, 5392 Storebø, Norway
Gudrun B. Rollefson	Sjøgata 6, 9600 Hammerfest, Norway
Torild Skogsholm	Universitetsgata 12, 0164 OSLO
Merete Smith	Kristian Augustgt 9, 0164 Oslo, Norway
Widar Salbuvik	Postboks 626, 1503 Moss, Norway
Ståle Svenning	SmartMotor AS, Jarleveien 8, 7041 Trondheim, Norway
Turid M. Sørensen	c/o Scandic American Shipping Ltd (EB), Postboks 56, 3201 Sandefjord, Norway
Gunvor Ulstein	Ulstein Group ASA, Postboks 158, 6067 Ulsteinvik, Norway
Gine Wang	StatoilHydro ASA, Postboks 7200, 5020 Bergen, Norway

#### **b) Deputies elected by the shareholders**

<b>Name</b>	<b>Business address</b>
Erik Buchmann	Gabelsgt 38, 0272 OSLO
Harriet Hagan	Postboks 1247, 9504 ALTA (Løkkeveien 4, 9510 ALTA)
Bente Hagem	P.O. Box 5192 Maj, NO-0302 Oslo
Liv Johannson	Måltrostveien 24 c, 0786 OSLO
Herman Mehren	Kristian IVs gt 12, 0164 OSLO
Asbjørn Olsen	Nedre Vollgate 9, 0158 OSLO
Oddbjørn Paulsen	Djupmyra 6, 8022 BODØ
Anne Bjørg Thoen	Landingsveien 34, 0767 OSLO
Elsbeth Sande Tronstad	Postboks 200, Lilleaker, Lilleakervn. 8, 0216 Oslo

#### **c) Members elected by the employees**

<b>Name</b>	<b>Business address</b>
Terje Bakken	DNB, 0021 Oslo, Norway
Mona Drønen	DNB, 0021 Oslo, Norway
Børre Lande	DNB, 0021 Oslo, Norway
Lillian Hattrem	DNB, 0021 Oslo, Norway
Irene Buskum Olsen	DNB, 0021 Oslo, Norway
Einar Pedersen	DNB, 0021 Oslo, Norway
Eli Solhaug	DNB, 0021 Oslo, Norway
Solvor Hagen	DNB, 0021 Oslo, Norway
Viktor Sæther	DNB, 0021 Oslo, Norway
Arve Hatlevoll	DNB, 0021 Oslo, Norway

The Issuer does not consider the principal activities outside the Issuer of any of the persons listed in the tables above to be significant with respect to the Issuer.

## Board of Directors

### *Responsibilities and organisation*

The Board of Directors is responsible for managing the Issuer and ensuring that the Issuer's activities are properly organised. The Board of Directors establishes plans and budgets for the Issuer's business, stays informed of the Issuer's financial position and ensures that the Issuer's business, its accounts and the management of its assets and liabilities are subject to adequate control. In order to perform its responsibilities, the Board of Directors must make such enquiries as it considers necessary, and must also supervise the day-to-day management of the Issuer and its business in general.

In accordance with the articles of association of the Issuer, the Board of Directors of the Issuer must consist of up to nine members elected for up to two years. Two of those members shall represent the employees. One-fourth of the board members may neither be employed by, nor have other honorary posts in the Issuer or its direct or indirect subsidiaries. The chairman and vice chairman are elected separately by the Supervisory Board for a term of up to two years. The current chairman is Anne Carine Tanum and the current vice-chairman is Jarle Bergho.

The members of the Board of Directors of the Issuer are as follows:

<b>Name</b>	<b>Business address</b>	<b>Position</b>
Tanum, Anne Carine.....	NO-0021 Oslo, Norway	Chairman
Bergho, Jarle.....	P.O. Box 117, Sentrum, NO-0107 Oslo, Norway	Vice-chairman
Finstad, Sverre.....	Dronning Eufemiasgate 30, 0021 Oslo, Norway	Member (employee representative)
Mathisen, Vigdis.....	Dronning Eufemiasgate 30, 0021 Oslo, Norway	Member (employee representative)
Nyland, Kai.....	Aluvegen 65B, 2319 Hamar, Norway	Member
Rambjør, Torill.....	Helgerødveien 170, NO-3145 Tjøme, Norway	Member
Wahl, Kim.....	Olav Vs gt. 5 (9. etg.), Postboks 1273 Vika, 0111 Oslo	Member

The Issuer does not consider the principal activities outside the Issuer of any of the persons listed in the table above to be significant with respect to the Issuer.

## Control Committee

### *Responsibilities and organisation*

The Issuer must have a control committee (the “**Control Committee**”) which is identical to the Control Committee of DNB ASA. It consists of three to six members with two deputies. One member must meet the requirements set for Norwegian judges. The Financial Supervisory Authority of Norway (*Finanstilsynet*) must approve the appointment of this member. The chairman, vice-chairman, members and deputy members of the Control Committee are appointed by the General Meeting for two-year terms.

The Control Committee's main responsibility is to supervise the Issuer's activities to ensure that it complies with laws, regulations and licences, as well as with their articles of association and resolutions adopted by their decision-making bodies. To the extent that the Control Committee deems necessary, it shall examine the Issuer's records and documents. The Control Committee may require officers and employees to furnish such information as the committee considers necessary for it to perform its tasks.

## Members

The current members of the Control Committee and their business addresses are as follows:

<b>Name</b>	<b>Business address</b>	<b>Position</b>
Hassel, Frode.....	Beddingen 8, NO-7014 Trondheim	Chairman
Hovden, Karl Olav.....	Ormerudveien 45, 1410 Kolbotn	Vice-Chairman
Helliesen, Ida .....	Trosterudveien 19B, 0778 Oslo	Member
Johnson, Ida Espolin.....	Hoffsjef Løvenskioldsvei 41, 0382 Oslo	Deputy
Trasti, Ole G.....	Stensberggata 17B, 0170 Oslo	Deputy

The Issuer does not consider the principal activities outside the Issuer of any of the persons listed in the table above to be significant with respect to the Issuer.

## DNB Group Management

The CEO is appointed at a joint meeting of the Supervisory Board and the Board of Directors and is responsible for the day-to-day management of the Issuer. Responsibility for the management of the DNB Group is distributed between the business areas. DNB Group Management consists of the following:

<b>Name</b>	<b>Business address</b>	<b>Position</b>	<b>Function in the DNB Group</b>
Rune Bjerke	NO-0021 Oslo	Group Chief Executive Officer	Group Chief Executive Officer
Ottar Ertzeid	NO-0021 Oslo	Group Executive Vice President	Head of Markets
Harald Serck-Hanssen	NO-0021 Oslo	Group Executive Vice President	Head of Large Corporates and International
Liv Fiksdahl	NO-0021 Oslo	Group Executive Vice President	Head of IT and Operations
Solveig Hellebust	NO-0021 Oslo	Group Executive Vice President	Head of Human Resources
Kari Olrud Moen	NO-0021 Oslo	Group Executive Vice President	Head of Products
Thomas Midteide	NO-0021 Oslo	Group Executive Vice President	Head of Corporate Communication
Bjørn Erik Næss	NO-0021 Oslo	Group Executive Vice President	Head of Group Finance
Tom Rathke	NO-0021 Oslo	Group Executive Vice President	Head of Wealth Management
Trond Bentestuen	NO-0021 Oslo	Group Executive Vice President	Head of Personal Banking Norway
Kjerstin B. Braathen	NO-0021 Oslo	Group Executive Vice President	Head of Corporate Banking Norway
Terje Turnes	NO-0021 Oslo	Group Executive Vice President	Head of Risk Management

The Issuer does not consider the principal activities outside the Issuer of any of the persons listed in the table above to be significant with respect to the Issuer.

No company in the DNB Group has issued loans or securities to any members of the Supervisory Board, the Board of Directors, the Control Committee or the Group Management that are not on ordinary terms for employees of the DNB Group.

The Issuer is not aware of any potential conflicts of interest between the duties to the Issuer of each of the persons listed above under the headings "Supervisory Board", "Board of Directors", "Control Committee" and "DNB Group Management" and his/her private interests or other duties.

## TAXATION

Prospective purchasers of Notes are advised to consult their tax advisers as to the tax consequences under the tax laws of the country of which they are resident of a purchase of Notes, including, but not limited to, the consequences of receipts of interest and sale or redemption of Notes.

### NORWEGIAN TAXATION

Payments of principal and interest on the Notes issued under the Programme to persons who have no connection with Norway other than the holding of such Notes issued by the Issuer are, under present Norwegian law, not subject to Norwegian tax, and may hence be made without any withholding tax or deduction for any Norwegian taxes, duties, assessments or governmental charges.

Capital gains or profits realised on the sale, disposal or redemption of such Notes by persons who have no connection with Norway other than the holding of the Notes are not, under present Norwegian law, subject to Norwegian taxes or duties.

No Norwegian issue tax or stamp duty is payable in connection with the issues of the Notes.

The Notes will not be subject to any Norwegian estate duties.

Persons considered domiciled in Norway for tax purposes will be subject to Norwegian income tax of a flat rate of 27 per cent. on interest received in respect of the Notes. Likewise, capital gains or profits realised by such persons on the sale, disposal or redemption of the Notes will be subject to Norwegian taxation.

### IRELAND TAXATION

**THE FOLLOWING IS A SUMMARY BASED ON THE LAWS AND PRACTICES CURRENTLY IN FORCE IN IRELAND OF IRISH WITHHOLDING TAX ON INTEREST AND ADDRESSES THE TAX POSITION OF INVESTORS WHO ARE THE ABSOLUTE BENEFICIAL OWNERS OF THE NOTES. PARTICULAR RULES NOT DISCUSSED BELOW MAY APPLY TO CERTAIN CLASSES OF TAXPAYERS HOLDING NOTES, INCLUDING DEALERS IN SECURITIES AND TRUSTS. THE SUMMARY DOES NOT CONSTITUTE TAX OR LEGAL ADVICE AND THE COMMENTS BELOW ARE OF A GENERAL NATURE ONLY AND IT DOES NOT DISCUSS ALL ASPECTS OF IRISH TAXATION THAT MAY BE RELEVANT TO ANY PARTICULAR HOLDER OF NOTES. PROSPECTIVE INVESTORS IN THE NOTES SHOULD CONSULT THEIR PROFESSIONAL ADVISERS ON THE TAX IMPLICATIONS OF THE PURCHASE, HOLDING, REDEMPTION OR SALE OF THE NOTES AND THE RECEIPT OF PAYMENTS THEREON UNDER THE LAWS OF THEIR COUNTRY OF RESIDENCE, CITIZENSHIP OR DOMICILE.**

#### **Withholding Tax**

Tax at the standard rate of income tax (currently 20 per cent.) is required to be withheld from payments of Irish source interest. The Issuer will not be obliged to withhold Irish income tax from payments of interest on the Notes so long as such payments do not constitute Irish source income. Interest paid on the Notes may be treated as having an Irish source if:

- a) the Issuer is resident in Ireland for tax purposes; or
- b) the Issuer has a branch or permanent establishment in Ireland, the assets or income of which is used to fund the payments on the Notes; or

- c) the Issuer is not resident in Ireland for tax purposes but the register for the Notes is maintained in Ireland or (if the Notes are in bearer form) the Notes are physically held in Ireland.

It is anticipated that, (i) the Issuer is not and will not be resident in Ireland for tax purposes; (ii) the Issuer will not have a branch or permanent establishment in Ireland; (iii) payments under the Notes will not be derived from Irish sources or assets; (iv) bearer Notes will not be physically located in Ireland and the Issuer will not maintain a register of any registered Notes in Ireland.

### **Encashment Tax**

In certain circumstances, Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) from interest on any interest paid on the Notes issued by a company not resident in Ireland, where such interest is collected or realised by a bank or encashment agent in Ireland on behalf of any holder of the Notes who is Irish resident.

Encashment tax does not apply where the holder of the Notes is not resident in Ireland and has made a declaration in the prescribed form to the encashment agent or bank.

### **FOREIGN ACCOUNT TAX COMPLIANCE ACT**

FATCA imposes a new reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a “foreign financial institution”, or “**FFI**” (as defined by FATCA)) that does not become a “**Participating FFI**” by entering into an agreement with the U.S. Internal Revenue Service (“**IRS**”) to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA. The Issuer is classified as an FFI.

The new withholding regime is currently in effect for payments from sources within the United States and will apply to “**foreign passthru payments**” (a term not yet defined) no earlier than 1st January, 2017. The United States and a number of other jurisdictions have entered into intergovernmental agreements to facilitate the implementation of FATCA (each, an “**IGA**”). Pursuant to FATCA and the “Model 1” and “Model 2” IGAs released by the United States, an FFI in an IGA signatory country could be treated as a “**Reporting FI**” not subject to withholding under FATCA on any payments it receives. Further, an FFI in an IGA jurisdiction generally would not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being “**FATCA Withholding**”) from payments it makes. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and Norway have entered into an agreement (the “**US-Norway IGA**”) based largely on the Model 1 IGA.

The Issuer expects to be treated as a Reporting FI pursuant to the US-Norway IGA and does not anticipate being obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance, however, that the Issuer will be treated as a Reporting FI, or that it would in the future not be required to deduct FATCA Withholding from payments it makes. Accordingly, the Issuer and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA.

Whilst the Notes are held within the ICSDs, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, any paying agent and the Common Depository or Common Safekeeper, given that each of the entities in the payment chain between the Issuer and the participants in the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the

Notes may go into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, definitive Notes will only be printed in remote circumstances.

**FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and the US-Norway IGA, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.**

## **EU SAVINGS DIRECTIVE**

Under Council Directive 2003/48/EC on the taxation of savings income (the “**Savings Directive**”), Member States are required to provide to the tax authorities of other Member States details of certain payments of interest (or similar income) paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or certain limited types of entities established in another Member State.

For a transitional period, Austria is required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments. The end of the transitional period is dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 24th March, 2014, the Council of the European Union adopted a Council Directive (the “**Amending Directive**”) amending and broadening the scope of the requirements described above. The Amending Directive requires Member States to apply these new requirements from 1st January, 2017 and if they were to take effect the changes would expand the range of payments covered by the Savings Directive, in particular to include additional types of income payable on securities. They would also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported or subject to withholding. This approach would apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

However, the European Commission has proposed the repeal of the Savings Directive from 1st January, 2017 in the case of Austria and from 1st January, 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive.

## **THE PROPOSED FINANCIAL TRANSACTION TAX**

On 24th February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common financial transaction tax (“**FTT**”) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”).

The Commission’s Proposal has very broad scope and could, if introduced apply to certain dealings in financial instruments (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

Joint statements issued by participating Member States indicate an intention to implement the FTT by 1st January 2016.

However, the FTT proposal remains subject to negotiation between the participating Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

## SUBSCRIPTION AND SALE

The Dealers have in an Amended and Restated Programme Agreement (the “**Programme Agreement**”) dated 20 May, 2015 agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “Form of the Notes” and “Terms and Conditions of the Notes” above. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future updates of the Programme and the issue of Notes under the Programme.

### **United States**

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act.

To the extent that any Notes are sold in reliance on an exemption from the registration requirements of the Securities Act provided under Regulation S, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer, sell or deliver Notes of any Series (i) as part of its general distribution at any time or (ii) until 40 days after the later of the commencement of the offering and the completion of the distribution, as determined by the Issuing and Principal Paying Agent, of all Notes of the Tranche of which such Notes are a part within the United States or to, or for the account or benefit of, U.S. persons and only in accordance with Rule 903 of Regulation S under the Securities Act. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will have sent to each dealer to which it sells the Notes during the Distribution Compliance Period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Until the expiration of the applicable Distribution Compliance Period, an offer or sale of Registered Notes within the United States by any dealer whether or not participating in the offering may violate the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S of the Securities Act.

Any resale or other transfer, or attempted resale or other transfer of Notes made other than in compliance with the restrictions set out above and below shall not be recognised by the Issuer or any of its agents. The certificates for the Notes sold in the United States shall bear a legend to this effect.

### **Bearer Notes**

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and U.S. Treasury regulations promulgated thereunder.

### **Registered Notes**

Offers, sales, resales and other transfers of Registered Notes in the United States made or approved by a Dealer (including offers, resales or other transfers made or approved by a Dealer in connection with secondary trading) shall be effected pursuant to an exemption from the registration requirements of the Securities Act.

Offers, sales, resales and other transfers of Registered Notes made in the United States may be made only to (a) “accredited investors” that are institutions that such Dealer has taken all reasonable steps to verify are “**accredited investors**” (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act) (“**Institutional Accredited Investors**”) who have executed and provided to the relevant Dealer the IAI Investment Letter (as defined below) addressed to the Issuer, the Registrar

and the relevant Dealer(s) substantially in the form attached to the Agency Agreement in a private placement transaction exempt from the registration requirements of the Securities Act pursuant to section 4(a)(2) thereof or (b) to institutional investors that are reasonably believed to qualify as qualified institutional buyers (as defined in Rule 144A) (each such institutional investor being hereinafter referred to as a “**qualified institutional buyer**” or “**QIB**”) in a transaction otherwise meeting the requirements of Rule 144A.

Registered Notes will be offered in the United States only by approaching prospective purchasers on an individual basis. No general solicitation or general advertising (as such terms are used in Rule 502 under the Securities Act) will be used in connection with the offering of the Notes in the United States and no directed selling efforts (as defined in Regulation S) shall be used in connection with the offering of the Notes outside of the United States.

No sale of Registered Notes in the United States to any one purchaser will be for less than U.S.\$100,000 (or its foreign currency equivalent) principal amount or, in the case of sales to Institutional Accredited Investors, U.S.\$500,000 (or its foreign currency equivalent) principal amount and no Registered Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$100,000 (or its foreign currency equivalent) or, in the case of sales to Institutional Accredited Investors, U.S.\$500,000 (or its foreign currency equivalent) principal amount of Registered Notes.

Each Note representing Notes initially offered and sold in the United States shall contain a legend in substantially the following form:

“THE SECURITY EVIDENCED HEREBY (THE “**SECURITY**”) HAS NOT BEEN REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY OTHER APPLICABLE US STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT (1) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS OR (2) IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) (AN “**INSTITUTIONAL ACCREDITED INVESTOR**”); (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND, PRIOR TO THE EXPIRATION OF THE APPLICABLE REQUIRED HOLDING PERIOD DETERMINED PURSUANT TO RULE 144 UNDER THE SECURITIES ACT FROM THE LATER OF THE LAST ISSUE DATE FOR THE SERIES AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE OF THE ISSUER WAS THE OWNER OF SUCH SECURITIES OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (4) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.”

Each Reg S. Note shall contain a legend substantially in the following form:

“THE SECURITY EVIDENCED HEREBY (THE “**SECURITY**”) HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY OTHER APPLICABLE US STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. UNTIL THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART, SALES MAY NOT BE MADE IN THE UNITED STATES OR TO US PERSONS UNLESS MADE (I) PURSUANT TO RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT OR (II) TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN, AND IN TRANSACTIONS PURSUANT TO, RULE 144A UNDER THE SECURITIES ACT.”

The legend endorsed on each Note shall be removed, in the case of the Reg. S Global Note, after expiry of the Distribution Compliance Period applicable thereto and, in the case of the Restricted Global Note, after expiry of the applicable required holding period determined pursuant to Rule 144 under the Securities Act from the later of the date of original issue and the date on which the Issuer or any affiliate of the Issuer was the owner of such Note (or any predecessor thereto).

By its purchase of any Notes, each investor in the United States shall be deemed to have agreed to the restrictions contained in any legend endorsed on the Note purchased by it (to the extent still applicable) and each such purchaser shall be deemed to have represented to the Issuer, the seller and the Dealer, if applicable, that it is either (i) a QIB or (ii) an Institutional Accredited Investor that is acquiring the Notes for its own account for investment and not with a view to the distribution thereof. Each investor (other than an investor in Reg. S Notes following expiry of the applicable Distribution Compliance Period), by its purchase of any Notes, also agrees to deliver to the transferee of any Note a notice substantially to the effect of the above legend.

Each prospective investor in the United States is hereby offered the opportunity to ask questions of, and receive answers from, the Issuer and the Dealers concerning the terms and conditions of the offering.

Pursuant to the Dealer Agreement, the Issuer has agreed to indemnify the Dealers against, or to contribute to losses arising out of, certain liabilities, including liabilities under certain securities laws, in respect of Notes.

In connection with its purchase of Registered Notes, each Institutional Accredited Investor shall deliver to the Issuer and the relevant Dealer(s) a letter (the “**IAI Investment Letter**”) stating, among other things, that:

- (a) it has received a copy of this Base Prospectus and such other information as it deems necessary in order to make its investment decision;
- (b) it understands that any subsequent transfer of the Notes is subject to certain restrictions and conditions set forth in this Base Prospectus and the Notes and that it agrees to be bound by, and not to resell, pledge or otherwise transfer the Notes except in compliance with, such restrictions and conditions and the Securities Act and any applicable state securities laws;
- (c) it understands that the Notes have not been and will not be registered under the Securities Act, it is acquiring the Notes in a private placements transaction pursuant to section 4(a)(2) of the Securities Act, and that the Notes may not be offered or sold except as permitted in the following sentence. It will agree, on its own behalf and on behalf of any account for which it is purchasing the Notes, and each subsequent holder of the Notes by its acceptance thereof will agree, not to offer, sell or otherwise

transfer such Notes except (A)(i) to the Issuer or a Dealer (as defined in this Base Prospectus), (ii) to a person whom the seller reasonably believes is a QIB that purchases for its own account or for the account of a QIB or QIBs, in a transaction meeting the requirements of Rule 144A, (iii) in an offshore transaction meeting the requirements of Rule 903 or 904 of Regulation S under the Securities Act or (iv) pursuant to an exemption from registration under the Securities Act provided by Rule 144 under the Securities Act (if available) (resales described in subclauses (i) through (iv) of this clause (A), “**Safe Harbor Resales**”), or (B) pursuant to any other available exemption from the registration requirements under the Securities Act (provided that as a condition to the registration of transfer of any Notes otherwise than in a Safe Harbour Resale the Issuer and the Registrar will require delivery of such other documents or other evidence (including but not limited to an opinion of U.S. counsel) that the Issuer, in its sole discretion, may deem necessary or appropriate to evidence compliance with such exemption), or (C) pursuant to an effective registration statement under the Securities Act, and in each of such cases in accordance with any applicable securities laws of any state of the United States;

- (d) it understands that, on any proposed resale of any Notes, it will be required to furnish to the Issuer such certifications, legal opinions, and other information as the Issuer may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. It further understands that the Notes purchased by it will bear a legend to the foregoing effect;
- (e) in the normal course of business, it invests in or purchases securities similar to the Notes. It is an Accredited Investor that is an institution within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act and has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Notes, and it and any accounts for which it is acting are each able to bear the economic risk of its or any such accounts' investment;
- (f) it is acquiring the Notes purchased by it for its own account or for one or more accounts (each of which is an Institutional Accredited Investor) as to each of which it exercises sole investment discretion and not with a view to any distribution of the Notes, subject, nevertheless, to the understanding that the disposition of its property shall at all times be and remain within its control; and
- (g) it acknowledges that the Issuer and the Dealers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and it agrees that, if any such acknowledgments, representations or warranties made pursuant hereto are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.

Each prospective purchaser of Notes offered in the United States or who is a U.S. person, by accepting delivery of this Base Prospectus, will be deemed to have represented and agreed as follows:

- (a) such offeree acknowledges that this Base Prospectus is personal to such offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Notes other than pursuant to Rule 144A or Section 4(2) of the Securities Act or in offshore transactions in accordance with Regulation S. Distribution of this Base Prospectus, or disclosure of any of its contents to any person other than such offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorised, and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited; and

- (b) such offeree agrees to make no photocopies of this Base Prospectus or any documents referred to herein.

### **Public Offer Selling Restriction under the Prospectus Directive**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “**Prospectus Directive**” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

### **United Kingdom**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### **Norway**

Notes denominated in Norwegian kroner may not be offered or sold within Norway or outside Norway to Norwegian citizens abroad, without the Notes prior thereto having been registered in the Norwegian Central Securities Depository.

Each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree that, unless the Issuer has confirmed in writing to each Dealer that the Base Prospectus has been filed with the FSAN, it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Norway or to residents of Norway except:

- (a) in respect of an offer of Notes addressed to investors subject to a minimum purchase of Notes for a total consideration of not less than €100,000 per investor;
- (b) to “professional investors” as defined in Section 7-1 in the Norwegian Securities Regulation of 29 June 2007 no. 876;
- (c) to fewer than 150 natural or legal persons (other than “professional investors” as defined in Section 7-1 in the Norwegian Securities Regulation of 29 June 2007 no. 876), subject to obtaining the prior consent of the relevant Dealer or Dealers for any such offer;
- (d) in any other circumstances provided that no such offer of Notes shall result in a requirement for the registration, or the publication by the Issuer or the Dealer or Dealers of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “**FIEA**”) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## **General**

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer, the Trustee nor any other Dealer shall have any responsibility therefor.

None of the Issuer, the Trustee and any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

## GENERAL INFORMATION

### Authorisation

The establishment and the subsequent updates of the Programme and the issue of Notes have been duly authorised by a resolution of the joint meeting of the Board of Directors and the Committee of Representatives of the Issuer dated 31st October, 1996, and resolutions of the Board of Directors of the Issuer dated 15th January, 1998, 13th January, 1999, 28th April, 2000, 29th April, 2000, 18th January, 2001, 17th January, 2002, 15th January, 2003, 9th March, 2004, 20th January, 2005, 10th January, 2006, 9th August, 2006, 30th January, 2007, 16th January, 2008, 9th December, 2008, 8th December, 2009, 9th December, 2010, 7th December, 2011, 12th December, 2012, 11th December, 2013 and 10th December, 2014.

### Listing and Admission to Trading

Application has been made to the Irish Stock Exchange for Notes issued under the Programme (other than Exempt Notes, VPS Notes and Swiss Domestic Notes) within the period of 12 months from the date of this Base Prospectus to be admitted to trading on the Main Securities Market and to be listed on the Official List. The Main Securities Market is a regulated market for the purposes of the Markets in Financial Instruments Directive.

Application has been made to the SIX Swiss Exchange for the approval of this Base Prospectus. An application may be made to the SIX Swiss Exchange for Notes issued under the Programme to be listed on the SIX Swiss Exchange.

### Documents Available

For so long as Notes are admitted to trading on the Irish Stock Exchange, physical copies of the following documents will be available for inspection at the registered office of the Issuer and from the specified offices of the Paying Agents for the time being in London and Luxembourg:

- (i) the constitutional documents (with an English translation thereof) of the Issuer;
- (ii) the Programme Agreement, the Trust Deed, the Agency Agreement, the Issuer-ICSDs Agreement, the forms of the Temporary Bearer Global Note, the Permanent Bearer Global Note, the Reg. S Global Note, the Restricted Global Note, the Swiss Global Note, the definitive Bearer and Registered Notes, the Coupons and the Talons;
- (iii) the audited consolidated and non-consolidated annual financial statements of the Issuer for each of the financial years ended 31st December, 2013 and 31st December, 2014 together with the auditors' reports prepared in connection therewith;
- (iv) the unaudited consolidated and non-consolidated interim financial statements of the Issuer as at, and for the period ended, 31st March, 2015;
- (v) the most recently published audited annual financial statements of the Issuer and the most recently published unaudited interim financial statements (if any) of the Issuer, in each case together with any audit or review reports prepared in connection therewith; and
- (vi) this Base Prospectus, any supplement to this Base Prospectus, each document incorporated by reference in this Base Prospectus from time to time and each Final Terms and each Pricing Supplement (save that Pricing Supplements relating to Exempt Notes will only be available for inspection by a holder of such Notes and such holder must produce evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding of Notes and identity).

In addition, a copy of this Base Prospectus, any supplement to this Base Prospectus and each Final Terms relating to Notes which are admitted to trading on the Main Securities Market will also be available on the website of the Irish Stock Exchange ([www.ise.ie](http://www.ise.ie)).

### **Clearing Systems**

The Notes have been accepted for clearance through Euroclear, Clearstream, Luxembourg and SIS. The appropriate Common Code, ISIN and Swiss Security Number (as appropriate) for each Tranche of Bearer Notes allocated by Euroclear, Clearstream, Luxembourg and SIS will be specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement. In addition, the Issuer may make an application for any Registered Notes to be accepted for trading in book-entry form by DTC. The CUSIP number for each Tranche of Registered Notes, together with the relevant ISIN and common code, will be specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system (including the VPS), the appropriate information will be specified in the applicable Final Terms or, as the case may be, the applicable Pricing Supplement. Euroclear, Clearstream, Luxembourg, DTC, SIS and the VPS are the entities in charge of keeping the records.

The address of Euroclear is 3 Boulevard du Roi Albert III, B.1210 Brussels, Belgium; the address of Clearstream, Luxembourg is 42 Avenue J. F. Kennedy, L-1855 Luxembourg; the address of DTC is 55 Water Street, New York, NY 10041-0099, USA; the address of SIS is SIX SIS Ltd, Baslerstrasse 100, CH-4600 Olten, Switzerland; and the address of the VPS is Biskop Gunnerusgate, 14A, 0185 Oslo.

### **Conditions for Determining Price**

The issue price and amount of the Notes of any Tranche to be issued will be determined at the time of the offering of such Tranche in accordance with prevailing market conditions.

### **Material Change**

Since 31st December, 2014 there has been no material adverse change in the prospects of the Issuer and, since 31st March, 2015, there has been no significant change in the financial or trading position of the Issuer or the Group.

### **Litigation**

Save as disclosed in note 19 on page 30 (*Off-balance sheet transactions and contingencies*) to the unaudited interim financial statements of the Issuer as at, and for the period ended, 31st March, 2015, neither the Issuer nor any member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this Base Prospectus which may have, or have in such period had, a significant effect on the financial position or profitability of the Issuer or the Group.

### **Independent Auditors**

Ernst & Young AS ("**Ernst & Young**") of Dronning Eufemias gate 6, P.O. Box 20, NO-0051 Oslo, Norway, audited the financial statements of the Issuer in respect of the financial years ended 31st December, 2013 and 31st December, 2014 without qualification. Ernst & Young is a member of the Norwegian Institute of Public Accountants.

### **Certificates**

The Trust Deed provides that the Trustee may rely on any certificate or report from an expert or any other person in accordance with the provisions of the Trust Deed whether or not any such certificate or report or any engagement letter or other document entered into by the Trustee in connection therewith contains any limit on the liability of such expert or such other person.

## **Language of this Base Prospectus**

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

## **Yield**

In relation to any Tranche of Fixed Rate Notes or Reset Notes (other than Fixed Rate Notes or Reset Notes which are Exempt Notes), an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price and (in the case of Reset Notes) on the basis of the rate of interest as at the Issue Date of the Notes. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

## **Post-issuance Information**

The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes constituting derivative securities (as such term is defined in the Prospectus Regulation).

## **Dealers Transacting with the Issuer**

In the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

## **Irish Listing Agent**

The Irish Listing Agent is Arthur Cox Listing Services Limited and the address of its registered office is Arthur Cox Building, Earlsfort Terrace, Dublin 2, Ireland. Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List or to trading on the Main Securities Market of the Irish Stock Exchange.

**THE ISSUER**

**DNB Bank ASA**

Dronning Eufemias gate 30  
0021 Oslo  
Norway

**THE TRUSTEE**

**The Law Debenture Trust Corporation p.l.c.**

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London EC2V 7EX  
United Kingdom

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EXCHANGE AGENT and TRANSFER AGENT**

**REGISTRAR and TRANSFER AGENT**

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**DNB Bank ASA, Legal Department**

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*To the Dealers and the Trustee as to English law  
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*To the Dealers and the Trustee as to Norwegian Law*

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