

Execution version

VPS TRUSTEE AGREEMENT

between

Länsförsäkringar Hypotek AB (publ)
(the "Issuer")

and

Norsk Tillitsmann ASA
(the "VPS Trustee")

dated 31 May 2011

This VPS Trustee Agreement (the "**Agreement**") is entered into on 31 May 2011 between

- (1) Länsförsäkringar Hypotek AB (publ), with registration no. 556244-1781 (the "**Issuer**"), and
- (2) Norsk Tillitsmann ASA, Haakon VII's gate 1, 0161 Oslo with registration number 963342624, (the "**VPS Trustee**").

1. INTRODUCTION

- 1.1 The Issuer is a credit market company (*kreditmarknadsbolag*) with articles of association that allows the Issuer to issue covered VPS Notes (*säkerställda obligationer*) under the Swedish Covered Bond Act (*lag (2003:1223) om utgivande av säkerställda obligationer*).
- 1.2 Under a Euro 4,000,000,000 Medium Term Covered Note Programme (the "**Programme**"), the Issuer may from time to time issue notes ("**Notes**") including, but not limited to, Notes in uncertificated book entry form ("**VPS Notes**") to be registered in the Norwegian Securities Registry ("**VPS**").
- 1.3 The VPS Trustee will be appointed to act with respect to any issue of VPS Notes (unless the applicable Final Terms provide otherwise, including any necessary modifications to the VPS Conditions).
- 1.4 This Agreement and the VPS Conditions (as defined below) set out the terms and conditions on which the VPS Trustee has agreed to act as a trustee for VPS Notes issued by the Issuer under the Programme.

2. DEFINITIONS

When used in this Agreement, the following capitalised terms shall have the meaning set out below:

" Business Day "	means a day when the Norwegian Central Bank's Settlement System is open and when Norwegian banks can settle foreign currency transactions;
" Dealer "	means UBS Limited and/or any other dealer appointed under the Programme that acts as a dealer for an Issue;
" Exchange "	means any regulated market place where the relevant VPS Notes are or will be listed;
" Final Terms "	means the final terms applicable to an Issue, the form of which is attached to this Agreement as

Schedule 1, as amended from time to time and provided to the VPS Trustee in accordance with Clause 7 (h);

"Issue"	means an issue of VPS Notes for which the VPS Trustee has been appointed by the Issuer as trustee;
"Issue Date"	means the date of an Issue;
"Issuer's VPS Notes"	means any VPS Notes of any Issue purchased beneficially by the Issuer, any party who has decisive influence over the Issuer, or any party over whom the Issuer has decisive influence;
"Tranche"	means VPS Notes which are registered under the same ISIN in the VPS;
"Voting VPS Notes"	means the aggregate nominal value of the total number of VPS Notes not redeemed or otherwise deregistered in the VPS, less Issuer's VPS Notes;
"VPS Conditions"	means the terms and conditions of the VPS Notes as attached to this Agreement as Schedule 2; and
"VPS Noteholders' Meeting"	means a meeting of the VPS Noteholders in accordance with Clause 10 of this Agreement.

Capitalised terms used herein and not defined herein, shall have the same meaning as in the VPS Conditions.

3. LISTING AND PROSPECTUS

- 3.1 In the event that any Issue is listed on the Exchange, matters concerning the listing requiring the approval of the VPS Noteholders shall be resolved pursuant to the terms of this Agreement.
- 3.2 In the event that any Issue is listed on the Exchange, the Issuer shall submit the documents and the information necessary to maintain the listing.
- 3.3 The Issuer shall ensure that this Agreement shall be incorporated as may be required by law in any prospectus and other subscription or information materials related to any Issue.

4. CONDITIONS PRECEDENT

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

- (a) the Issuer's corporate resolution to make the Issue,
- (b) evidence that the relevant individuals are authorised to sign on behalf of the Issuer all relevant documents in relation to the Issue,
- (c) the Issuer's Articles of Association,
- (d) confirmation that the requirements set forth in Chapter 7 of the Norwegian Securities Trading Act (prospectus requirements) are fulfilled or that the same are not applicable,
- (e) to the extent necessary, any public authorisations required for the Issue,
- (f) confirmation that the Issue has been registered in the VPS,
- (g) agreement regarding the VPS Trustee's fees and expenses as set forth in Clause 9.2 duly signed,
- (h) a confirmation by the Issuer of its compliance with clause 5.1 of this Agreement in accordance with Clause 5.2, if applicable,
- (i) upon the VPS Trustee's reasonable request, any other relevant documentation presented in relation to the Issue,
- (j) any statements (including legal opinions) required by the VPS Trustee regarding documentation in this Clause 4, and
- (k) a copy of the Final Terms in respect of the Issue.

4.2 The VPS Trustee may, in its reasonable opinion, waive the deadline or requirements for the documentation as set forth in Clause 4.1.

4.3 Any Issue is subject to the VPS Trustee's written notice to the Issuer, each Dealer participating in the Issue and the VPS Agent that the requirements under this Clause 4 have been fulfilled.

5. REPRESENTATIONS AND WARRANTIES

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

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

- (b) the Issuer has made a valid resolution to make such Issue, and such Issue does not contravene any of the Issuer's other liabilities,
- (c) all public requirements have been fulfilled (i.e. Norwegian Securities Trading Act Chapter 7 and the Norwegian Issue Regulations 1996 no. 1247), and that any required public authorisations have been obtained, and
- (d) the Issue is in accordance with the VPS Conditions, except as may be varied or amended pursuant to the Final Terms in respect of such Issue.

5.2 The VPS Trustee may prior to any Issue require a statement from the Issuer confirming the Issuer's compliance with Clause 5.1.

6. REGISTRATION OF VPS NOTES

6.1 The Issuer shall continuously ensure the correct registration in the VPS of any Issue.

7. INFORMATION COVENANTS

7.1 The Issuer undertakes to:

- (a) inform the VPS Trustee promptly of any matter which is likely to result in the default of the Issuer's payment obligations under any Issue,
- (b) inform the VPS Trustee of any other event which may have a material effect on the Issuer's ability to fulfil its obligations in respect of VPS Notes in respect of any Issue,
- (c) upon request, provide the VPS Trustee with its annual and interim reports and any other information reasonably required by the VPS Trustee,
- (d) upon request report to the VPS Trustee the principal amount outstanding of the Issuer's VPS Notes,
- (e) provide a copy to the VPS Trustee of any notice to its creditors to be made according to applicable laws and regulations,
- (f) send a copy to the VPS Trustee of notices to the Exchange which have relevance to the Issuer's liabilities under any Issue,
- (g) inform the VPS Trustee of changes in the registration of any Issue in the VPS, and
- (h) provide a copy to the VPS Trustee of any amended Final Terms.

8. NOTICES

- 8.1 Written notices, warnings, summons etc to holders of VPS Notes in any Issue made by the VPS Trustee shall be sent via the VPS with a copy to the Issuer and the Exchange.
- 8.2 The Issuer's written notifications to the holders of VPS Notes in any Issue shall be sent via the VPS Trustee, or alternatively through the VPS with a copy to the VPS Trustee and the Exchange. The Issuer shall ensure that, so long as the VPS Notes are listed on the Exchange, the notifications are published in a manner which complies with the rules of the Exchange.

9. EXPENSES

- 9.1 The Issuer shall cover all its own expenses in connection with this Agreement, any Issue, listing of VPS Notes in any Issue on the Exchange, and the registration and administration of VPS Notes in any Issue in the VPS.
- 9.2 The expenses and fees payable to the VPS Trustee shall be paid by the Issuer and are set forth in a separate agreement.
- 9.3 Any public fees payable in connection with this Agreement and any Issue and fulfilling of the obligations pursuant to this Agreement and any Issue shall be covered by the Issuer. The Issuer is not responsible for reimbursing any public fees levied on the trading of VPS Notes.

10. VPS NOTEHOLDERS' MEETING

- 10.1 The VPS Noteholders' Meeting represents the supreme authority of the VPS Noteholders as set out below. If a resolution by or an approval of the VPS Noteholders is required pursuant to this Agreement or the VPS Conditions or by law, such resolution shall be passed at a VPS Noteholders' Meeting. Resolutions passed at a VPS Noteholders' Meeting shall be binding and prevail for all holders of VPS Notes whether or not they are present at the meeting.

Separate VPS Noteholders' Meetings shall be held for each Tranche of VPS Notes and each such VPS Noteholders' Meeting may pass resolutions binding on the holders of VPS Notes of that Tranche whether or not they are present at such VPS Noteholders' Meeting (subject to the provisions of this Clause 10). The provisions of this Clause 10 shall be applied as if references to the VPS Notes and VPS Noteholders were to VPS Notes of the relevant Tranche and to holders of such VPS Notes and the provisions of this Agreement shall be applied as if references to VPS Noteholders' Meetings were to the separate VPS Noteholders' Meetings for VPS Notes of each Tranche.

- 10.2 A VPS Noteholders' Meeting shall be held at the request of:
- (a) the Issuer,
 - (b) VPS Noteholders representing at least 1/10 of the Voting VPS Notes,
 - (c) the VPS Trustee, or
 - (d) with respect to VPS Notes listed on an Exchange (but without prejudice to the foregoing), the Exchange in accordance with the applicable rules of such Exchange.
- 10.3 The VPS Noteholders' Meeting shall be summoned by the VPS Trustee. A request for a VPS Noteholders' Meeting shall be made in writing to the VPS Trustee, and shall clearly state the matters to be discussed.
- 10.4 If the VPS Trustee has not summoned a VPS Noteholders' Meeting within 10 – ten – Business Days after having received such a request, then the requesting party may summon the VPS Noteholders' Meeting itself.
- 10.5 Summons to a VPS Noteholders Meeting shall be dispatched no later than 10 – ten – Business Days prior to the VPS Noteholders' Meeting. The summons and a confirmation of each VPS Noteholders' holdings of VPS Notes shall be sent to all VPS Noteholders registered in the VPS at the time of distribution. The summons shall also be sent to Oslo Børs for publication.
- 10.6 The summons shall specify the agenda of the VPS Noteholders' Meeting. The VPS Trustee may in the summons also set forth other matters on the agenda than those requested. If amendments to the VPS Conditions and/or this Agreement have been proposed, the main content of the proposal shall be stated in the summons.
- 10.7 The VPS Trustee may restrict the Issuer from making any changes in the number of Voting VPS Notes in the period from distribution of the summons until the VPS Noteholders' Meeting.
- 10.8 Matters that have not been reported to the VPS Noteholders in accordance with the procedural rules for summoning of a VPS Noteholders' Meeting may only be adopted with the approval of all Voting VPS Notes.
- 10.9 The VPS Noteholders' Meeting shall be held on premises designated by the VPS Trustee. The VPS Noteholders' Meeting shall be opened and shall, unless otherwise decided by the VPS Noteholders' Meeting, be chaired by the VPS Trustee. If the VPS Trustee is not present, the VPS Noteholders' Meeting shall be opened by a VPS Noteholder, and be chaired by a representative elected by the VPS Noteholders' Meeting.
- 10.10 Minutes of the VPS Noteholders' Meeting shall be kept. The minutes shall state the number of VPS Notes represented at the VPS Noteholders' Meeting with the appurtenant number of VPS Notes they may vote for. Further, the minutes shall record the resolutions passed at the meeting, and the result of the voting. The minutes shall be signed by the chairman and at least one other

person elected by the VPS Noteholders' Meeting. The minutes shall be deposited with the VPS Trustee and shall be available to the VPS Noteholders.

- 10.11 The VPS Noteholders, the VPS Trustee and representatives of the Exchange have the right to attend the VPS Noteholders' Meeting. The chairman may grant access to the meeting to other parties, unless the VPS Noteholders' Meeting decides otherwise. VPS Noteholders may attend by a representative holding a proxy satisfactory (in the sole discretion of the VPS Trustee) to the VPS Trustee. VPS Noteholders have the right to be assisted by an advisor. In case of dispute the chairman shall decide who may attend the VPS Noteholders' Meeting.
- 10.12 Representatives of the Issuer have the right to attend the VPS Noteholders' Meeting. The VPS Noteholders' Meeting may resolve that the Issuer's representatives may not participate in particular matters. The Issuer has the right to be present during the voting.
- 10.13 At the VPS Noteholders' Meeting each VPS Noteholder may cast one vote for each Voting VPS Note owned at close of business in Oslo on the day prior to the date of the VPS Noteholders' Meeting in accordance with the records registered in the VPS. Whoever opens the VPS Noteholders' Meeting shall adjudicate any question concerning which VPS Notes shall count as Issuer's VPS Notes. Issuer's VPS Notes have no voting rights.
- 10.14 In all matters to be dealt with at the VPS Noteholders' Meeting, the Issuer, the VPS Trustee and any VPS Noteholder have the right to demand a vote by ballot. In the case of parity of votes, the chairman shall have the deciding vote, regardless of whether the chairman is a VPS Noteholder or not.
- 10.15 In order to form a quorum, one or more persons holding at least half (1/2) of the Voting VPS Notes must be represented at the meeting, unless one of the matters in Clause 10.17 below is to be discussed, in which case in order to form a quorum, one or more persons holding at least two thirds (2/3) of the Voting VPS Notes must be represented at the meeting.
- 10.16 Resolutions shall be passed by simple majority of the votes at the VPS Noteholders' Meeting, unless otherwise set forth in Clause 10.17 below.
- 10.17 In the following matters, a majority of at least two thirds of the votes cast in respect of Voting VPS Notes is required:
 - (a) modification of the Maturity Date (if any) of the VPS Notes specified in the applicable Final Terms or reduction or cancellation of the nominal amount payable upon maturity; or
 - (b) reduction or cancellation of the amount payable or modification of the payment date in respect of any interest in respect of the VPS Notes or variation of the method of calculating the rate of interest in respect of the VPS Notes; or
 - (c) reduction of any Minimum Interest Rate and/or Maximum Interest Rate specified in the applicable Final Terms; or

- (d) modification of the currency in which payments under the VPS Notes are to be made; or
 - (e) modification of the majority required to pass a resolution pursuant to this Clause 10.17; or
 - (f) alteration of this Clause 10.17; or
 - (g) the transfer of rights and obligations under the VPS Conditions and this Agreement to another issuer (borrower), or
 - (h) change of VPS Trustee.
- 10.18 The VPS Noteholders' Meeting may not adopt resolutions which may give certain VPS Noteholders or others an unreasonable advantage at the expense of other VPS Noteholders.
- 10.19 The VPS Trustee shall ensure that resolutions passed at the VPS Noteholders' Meeting are properly implemented.
- 10.20 The Issuer, the VPS Noteholders and the Exchange shall be notified of resolutions passed at the VPS Noteholders' Meeting.
- 10.21 If the VPS Noteholders' Meeting does not form a quorum pursuant to Clause 10.15 above, a repeated VPS Noteholders' Meeting may be summoned to vote on the same matters. The attendance at the first VPS Noteholders' Meeting shall be specified in the summons for the repeated VPS Noteholders' Meeting.
- 10.22 When a matter is tabled for discussion at a repeated VPS Noteholders' Meeting, a valid resolution may be passed even though less than half (1/2) of the Voting VPS Notes are represented, unless one of the matters referred to in Clause 10.17 above is to be discussed, in which case in order to form a quorum, one or more persons holding at least one third (1/3) of the Voting VPS Notes must be represented at the meeting.

11. ROLE AND AUTHORITY OF THE VPS TRUSTEE

- 11.1 The VPS Trustee shall monitor the Issuer's compliance with its obligations under the VPS Conditions, this Agreement, and any laws or regulations that are applicable which shall include:
- (a) supervision of timely and correct payments of principal and interest on the VPS Notes;
 - (b) informing the VPS Noteholders, the VPS Agent, the Calculation Agent and the Exchange of relevant information which is obtained or received in its capacity as VPS Trustee which requirement shall not restrict the VPS Trustee discussing matters of confidentiality with the Issuer;
 - (c) arranging VPS Noteholders' Meetings (as detailed in Clause 10 above); and,

- (d) determining and implementing the measures resolved (including any obligations of the VPS Trustee under the VPS Conditions) pursuant to this Agreement or the VPS Conditions.

The VPS Trustee is not obligated to assess the Issuer's financial situation beyond that which is set forth in the VPS Conditions and this Agreement.

- 11.2 The VPS Trustee may take any step necessary to protect the rights of the VPS Noteholders in all matters relating to the VPS Conditions. The VPS Trustee may postpone taking action until such matter has been put forward to the VPS Noteholders at a VPS Noteholders' Meeting.
- 11.3 Subject to clause 11.5 below, the VPS Trustee may, without providing prior written notice to, or consultation with the VPS Noteholders, make decisions binding on all VPS Noteholders relating to the VPS Conditions, the Final Terms and this Agreement including amendments which, in the opinion of the VPS Trustee, are not materially prejudicial to the interests of the VPS Noteholders, other than amendments which are referred to in clause 11.5 below.
- 11.4 Subject to clause 11.5 below, the VPS Trustee may reach decisions binding for all VPS Noteholders in circumstances other than those mentioned in subclause 11.3 provided that prior written notification is given to the VPS Noteholders. Such notice shall contain:
 - (a) a proposal of the amendment;
 - (b) the VPS Trustee's evaluation of the proposed amendment; and
 - (c) a statement that the VPS Trustee may not reach a decision that is binding for all VPS Noteholders in the event that any VPS Noteholder submits a written protest against the proposal within a deadline set by the VPS Trustee. Such deadline may not be less than five Business Days after the date of such notification.
- 11.5 The VPS Trustee may not, pursuant to Clauses 11.3 or 11.4 above, reach decisions which relate to such matters that are referred to in Clause 10.17 above.
- 11.6 The VPS Trustee may not adopt resolutions which may give certain VPS Noteholders or any third party an unreasonable advantage at the expense of other VPS Noteholders.
- 11.7 The VPS Trustee undertakes to notify the Issuer, the VPS Noteholders and the Exchange of decisions made by the VPS Trustee pursuant to this clause 11.
- 11.8 The VPS Noteholders' Meeting can decide to replace the VPS Trustee without the Issuer's approval, as provided for in clause 13 below.

- 11.9 The VPS Trustee will have access to the records of the VPS for the purposes of fulfilling its role (as described herein).

12. INDEMNIFICATION OF THE VPS TRUSTEE

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

13. REPLACEMENT OF VPS TRUSTEE

- 13.1 The VPS Noteholders Meeting may in accordance with the procedures for meeting of VPS Noteholders, resolve to replace the VPS Trustee. The VPS Trustee shall continue to carry out its duties as VPS Trustee until such time as a new VPS trustee is elected by the meeting of VPS Noteholders.
- 13.2 The fees and expenses of the new VPS trustee shall be paid by the Issuer in accordance with a separate agreement to be entered into between the new VPS trustee and the Issuer at the time. Such fees and expenses may be recovered in whole or in part from the VPS Trustee if the replacement of the VPS Trustee is due to a breach of the VPS Trustee's duties under this Agreement or other circumstances for which the VPS Trustee is liable.
- 13.3 The VPS Trustee undertakes to cooperate with the new VPS trustee and provide to the new VPS trustee, without undue delay after the conclusion of the VPS Noteholders' Meeting (as detailed in Clause 10 above), any documentation and information necessary to perform the role stated in this Agreement and the VPS Conditions.

14. VPS NOTEHOLDERS

- 14.1 The VPS Notes have the benefit of this Agreement and the provisions of this Agreement are binding on the VPS Noteholders by their purchase, subscription or transfer of such VPS Notes.

14.2 The VPS Trustee has power and authority to act on behalf of the VPS Noteholders and, as such, the VPS Noteholders may not act directly towards the Issuer or institute legal proceedings against the Issuer.

15. THE VPS NOTEHOLDERS' COMMUNITY

15.1 Each VPS Noteholder will be deemed to have acceded to this Agreement and hereby accepts that:

- (a) the VPS Noteholders are deemed to have accepted and will be bound by the terms of this Agreement,
- (b) the VPS Trustee has power and authority to act on behalf of the VPS Noteholders,
- (c) the VPS Trustee has, in order to administrate the terms of this Agreement, access to the VPS to review ownership of VPS Notes registered in the VPS,
- (d) this Agreement establishes a community between VPS Noteholders meaning that;
 - (i) the VPS Notes rank pari passu between each other,
 - (ii) the VPS Noteholders may not, based on this Agreement, act directly towards the Issuer and may not themselves institute legal proceedings against the Issuer in accordance with the terms hereof and the VPS Conditions,
 - (iii) the Issuer may not, based on this Agreement, act directly towards the VPS Noteholders,
 - (iv) the VPS Noteholders may not cancel the VPS Noteholders' community, and that
 - (v) the individual VPS Noteholder may not resign from the VPS Noteholders' community.

16 GOVERNING LAW, DISPUTE RESOLUTION AND LEGAL VENUE

16.1 This Agreement shall be governed by Norwegian law.

16.2 Disputes arising out of or in connection with this Agreement which are not resolved amicably shall be resolved by Norwegian courts with the Oslo District Court as legal venue.

17. AMENDMENTS

17.1 Amendments to this Agreement may only be made with the approval of the parties.


18. CONTACT INFORMATION

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

Länsförsäkringar
Hypotek AB (publ)

Norsk Tillitsmann ASA

.....
Issuer


.....
VPS Trustee

This Agreement has been executed in two originals, of which the Issuer and the VPS Trustee retain one each.

Schedule 1: Form of Final Terms
Schedule 2 Terms and Conditions of the VPS Notes

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Länsförsäkringar
Hypotek AB (publ)

Norsk Tillitsmann ASA



.....
Issuer

Erland Genarp

.....
VPS Trustee

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Schedule 1: Form of Final Terms

Schedule 2 Terms and Conditions of the VPS Notes

SCHEDULE 1

FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

[Date]

LÄNSFÖRSÄKRINGAR HYPOTEK AB (PUBL)

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the €4,000,000,000
Euro Medium Term Covered Note Programme

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the [Terms and Conditions of the Notes other than VPS Notes] [Terms and Conditions of the VPS Notes] set forth in the Base Prospectus dated 31 May 2011 which[, as supplemented by the supplement to the Base Prospectus dated [date of supplement] (the Supplement),] constitutes a base prospectus for the purposes of Directive 2003/71/EC (the **Prospectus Directive**) as amended (which includes the amendments made by Directive 2010/73/EU (the **2010 PD Amending Directive**) to the extent that such amendments have been implemented in a Member State). 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 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]. The Base Prospectus [is/and the Supplement are] available for viewing during normal business hours at and copies may be obtained from the registered office of the Issuer and the specified offices of the Paying Agents for the time being in London and Luxembourg. The Base Prospectus[, the Supplement] and, in the case of Notes admitted to trading on the regulated market of the Luxembourg Stock Exchange, the applicable Final Terms will also be published on the website of the Luxembourg Stock Exchange, www.bourse.lu.

[The following alternative language applies if the first tranche of an issue 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 [Terms and Conditions of the Notes other than VPS Notes] [Terms and Conditions of the VPS Notes] (the **Conditions**) set forth in the Base Prospectus dated [original date]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC (the **Prospectus Directive**) and must be read in conjunction with the Base Prospectus dated 31 May 2011 which[, as supplemented by a supplement to the Base Prospectus dated [date of supplement] (the Supplement),] constitutes a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated 31 May 2011[, as so supplemented,] and [original date]. Copies of such Base Prospectuses [and the Supplement] are available for viewing during normal business hours at and copies may be obtained from the registered office of the Issuer and the specified offices of the Paying Agents for the time being in London and Luxembourg. The Base Prospectuses[, the Supplement] and, in the case of Notes admitted to trading on the

regulated market of the Luxembourg Stock Exchange, the applicable Final Terms will also be published on the website of the Luxembourg Stock Exchange, www.bourse.lu.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

[When adding any other final terms or information consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]

1. Issuer: Länsförsäkringar Hypotek AB (publ)
2. (a) Series Number: []
(b) Tranche Number: []
(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)
3. Specified Currency or Currencies: []
4. Aggregate Nominal Amount:
(a) Series: []
(b) Tranche: []
5. Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (if applicable)]
6. (a) Specified Denominations: []
[]
(Note — where multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed:

"[€100,000] 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. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not

required to be published under the Prospectus Directive the [€100,000] minimum denomination is not required.)

(b) Calculation Amount []

(If only one Specified Denomination, insert the Specified Denomination.

If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)

7. (a) Issue Date: []

(b) 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 — specify date/Floating rate — Interest Payment Date falling in or nearest to [specify month]]

9. Interest Basis: [[] per cent. Fixed Rate]
[[LIBOR/EURIBOR] +/- [] per cent. Floating Rate]
[Zero Coupon]
[Index Linked Interest]
[Dual Currency Interest]
[specify other]
(further particulars specified below)

10. Redemption/Payment Basis: [Redemption at par]
[Index Linked Redemption]
[Dual Currency Redemption]
[Partly Paid]
[Instalment]
[specify other]

(N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.)

11. Change of Interest Basis or Redemption/Payment Basis: [Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis]

12. Call Options: [Issuer Call]
[(further particulars specified below)]
13. Date [Board] approval for issuance of []
Notes obtained: *(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*
14. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Rate(s) of Interest: [] per cent. per annum [payable [annually/semi-annually/quarterly/other (specify)] in arrear]

(If payable other than annually, consider amending Condition 4 of the Terms and Conditions of the Notes other than VPS Notes or Condition 3 of the Terms and Conditions of the VPS Notes, as applicable)
- (b) Interest Payment Date(s): [[] in each year up to and including the Maturity Date]/[specify other]
(N.B. This will need to be amended in the case of long or short coupons)
- (c) Fixed Coupon Amount(s): [] per Calculation Amount
(Applicable to Notes in definitive form.)
- (d) Broken Amount(s) [] per Calculation Amount, payable on the
(Applicable to Notes in definitive form.) Interest Payment Date falling [in/on] []
- (e) Day Count Fraction: [30/360 or Actual/Actual (ICMA) or [specify other]]
- (f) Determination Date(s): [] in each year
[Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA)]

- (g) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Give details]
16. Floating Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Specified Period(s)/Specified Interest Payment Dates: []
- (b) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[specify other]]
- (c) Additional Business Centre(s): []
- (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/specify other]
- (e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): []
- (f) Screen Rate Determination:
- Reference Rate: []
(Either LIBOR, EURIBOR or other, although additional information is required if other — including fallback provisions in the Agency Agreement)
 - Interest Determination Date(s): []
(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)
 - 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 fallback provisions appropriately)
- (g) ISDA Determination:

- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
- (h) Margin(s): [+/-] [] per cent. per annum
- (i) Minimum Rate of Interest: [] per cent. per annum
- (j) Maximum Rate of Interest: [] per cent. per annum
- (k) Day Count Fraction: [Actual/Actual (ISDA)
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
30/360
30E/360
30E/360 (ISDA)
Other]
(See Condition 4 of the Terms and Conditions of the Notes other than VPS Notes or Condition 3 of the Terms and Conditions of the VPS Notes, as applicable, for alternatives)
- (l) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: []
17. Zero Coupon Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Accrual Yield: [] per cent. per annum
- (b) Reference Price: []
- (c) Any other formula/basis of determining amount payable: []
- (d) Day Count Fraction in relation to late payment: [Condition [6.7 of the Terms and Conditions of the Notes other than VPS Notes applies] [5.7 of the Terms and Conditions of the VPS Notes applies]/specify other]
(Consider applicable day count fraction if not U.S. dollar denominated)

18. Index Linked Interest Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.)*
- (a) Index/Formula: [give or annex details]
- (b) Calculation Agent: [give name (and, if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, address)]
- (c) Party responsible for calculating the Rate of Interest (if not the Calculation Agent) and Interest Amount (if not the Agent): []
- (d) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable: [need to include a description of market disruption or settlement disruption events and adjustment provisions]
- (e) Specified Period(s)/Specified Interest Payment Dates: []
- (f) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/specify other]
- (g) Additional Business Centre(s): []
- (h) Minimum Rate of Interest: [] per cent. per annum
- (i) Maximum Rate of Interest: [] per cent. per annum
- (j) Day Count Fraction: []
19. Dual Currency Interest Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (N.B. If the Final Redemption Amount is*

other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.)

- (a) Rate of Exchange/method of calculating Rate of Exchange: [give or annex details]
- (b) Party, if any, responsible for calculating the principal and/or interest due (if not the Agent): []
- (c) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [*need to include a description of market disruption or settlement disruption events and adjustment provisions*]
- (d) Person at whose option Specified Currency(ies) is/are payable: []

PROVISIONS RELATING TO REDEMPTION

20. Issuer Call: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Optional Redemption Date(s): []
- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[] per Calculation Amount/specify other/see Appendix]
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: []
- (ii) Maximum Redemption Amount: []
- (d) Notice period (if other than as set out in the Conditions): []
(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)

21. Final Redemption Amount: [] per Calculation Amount/*specify other/see Appendix*
(N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.)

GENERAL PROVISIONS APPLICABLE TO THE NOTES

22. Form of Notes:

(a) Form: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event]

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

[Permanent Global Note exchangeable for Definitive Notes only upon an Exchange Event]

[VPS Notes issued in uncertificated book entry form]

[Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with article 4 of the Belgian law of 14 December 2005]

(b) New Global Note: [Yes/No]

(If VPS Notes, must be "No".)

23. Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/*give details*]
(Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraph 16(c) and 18(g) relate)
24. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]
25. Details relating to Partly Paid Notes: [Not Applicable/*give details*. *N.B. a new*

amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: *form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues]*

26. Details relating to Instalment Notes:
- (a) Instalment Amount(s): [Not Applicable/give details]
- (b) Instalment Date(s): [Not Applicable/give details]
27. Redenomination applicable: Redenomination [not] applicable
(If Redenomination is applicable, specify the applicable Day Count Fraction and any provisions necessary to deal with floating rate interest calculation (including alternative reference rates))
28. Other final terms: [Not Applicable/give details]
(When adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

DISTRIBUTION

29. (a) If syndicated, names of Managers: [Not Applicable/give names]
(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)
- (b) Date of Subscription Agreement: []
- (c) Stabilising Manager(s) (if any): [Not Applicable/give name]
30. If non-syndicated, name of relevant Dealer: [Not Applicable/give name]
31. U.S. Selling Restrictions: [Reg. S Compliance Category; TBFRA D/TEFRA C/TEFRA not applicable]
32. Additional selling restrictions: [Not Applicable/give details]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the Luxembourg Stock Exchange's regulated market and for listing on the official List of the Luxembourg Stock Exchange of the Notes described herein pursuant to the €4,000,000,000 Euro Medium Term Covered Note Programme of Länsförsäkringar Hypotek AB (publ) [and evidence the acceptance by the Issuer of the Terms and Conditions of the VPS Notes, as supplemented by these Final Terms in respect of the Notes].

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[●] 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.]

Signed on behalf of Länsförsäkringar Hypotek AB (publ):

By:
Duly authorised

PART B — OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange with effect from [].] [Not Applicable.]
- (ii) Estimate of total expenses related to admission to trading: []

2. RATINGS

Ratings:

[The Notes to be issued [[have been]/[are expected to be]] rated *[insert details]* by *[insert credit rating agency name(s)]*.]

[[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.]

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

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. — *Amend as appropriate if there are other interests*]

[(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. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

[(i) Reasons for the offer []

(See "Use of Proceeds" wording in Base Prospectus — if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)

[(ii) Estimated net proceeds: []

[(iii) Estimated total expenses: []

(N.B.: If the Notes are derivative securities to

which Annex XII of the Prospectus Directive Regulation applies (i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in (i), disclosure of net proceeds and total expenses at (ii) and (iii) above are also required.)

5. YIELD *(Fixed Rate Notes only)*

Indication of yield: []

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. PERFORMANCE OF INDEX/FORMULA AND OTHER INFORMATION CONCERNING THE UNDERLYING *(Index-Linked Notes only)*

[Need to include details of where past and future performance and volatility of the index/formula can be obtained.]

[Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information, together with the ISIN Code or any other security identification code.]

[Include other information concerning the underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]

[(When completing the above paragraphs, 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.)]

The Issuer [intends to provide post-issuance information in relation to any assets underlying the Notes [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information in relation to any assets underlying the Notes].

(N.B. This paragraph 6 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

7. PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT *(Dual Currency Notes only)*

[Need to include details of where past and future performance and volatility of the relevant rates can be obtained.]

[(When completing this paragraph, 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.))]

(N.B. This paragraph 7 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

8. OPERATIONAL INFORMATION

- (i) ISIN Code: []
- (ii) Common Code: []
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
[The Issuer shall be entitled to obtain information from the register maintained by the VPS for the purposes of performing its obligations under the VPS Notes]
- (iv) Delivery: Delivery [against/free of] payment
- (v) Names and addresses of additional Paying Agent(s) (if any): []
- (vi) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No] (If VPS Notes, must be "No")
[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 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 satisfaction of the Eurosystem eligibility criteria.] [include this text if "yes" selected in which case the Notes must be issued in NGN form]

Terms and Conditions of the VPS Notes

The following are the Terms and Conditions of the VPS Notes. VPS Notes will not be evidenced by any physical note or document of title other than a statement 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. The applicable Final Terms in relation to any Tranche of VPS 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 VPS Notes. Reference should be made to "Form of the Notes" for a description of the content of the Final Terms which will specify which of such terms are to apply in relation to the relevant VPS Notes.

The VPS Notes are issued in accordance with the Swedish Act on the Issuance of Covered Bonds (lagen (2003:1223) om utgivning av säkerställda obligationer) (the Covered Bond Act).

Each VPS Note will be one of a Series (as defined below) of notes issued by Länsförsäkringar Hypotek AB (publ) (the Issuer) under the Programme and each VPS Note will be issued in accordance with and subject to a trust agreement (such trust agreement as modified and/or supplemented and/or restated from time to time, the VPS Trustee Agreement) dated 31 May 2011 made between the Issuer and Norsk Tillitsmann ASA (the VPS Trustee, which expression shall include any successor as VPS Trustee).

References herein to the VPS Notes shall be references to the VPS Notes of this Series and shall mean notes cleared through the Norwegian Central Securities Depository, the Verdipapirsentralen (VPS Notes and the VPS, respectively).

The VPS Notes have the benefit of an account management agreement (the VPS Agency Agreement) dated 31 May 2011 between the Issuer and DnB NOR Bank ASA (the VPS Agent).

Each Tranche of VPS Notes will be created and held in uncertificated book entry form in accounts with the VPS. The VPS Agent will act as agent of the Issuer in respect of all dealings with the VPS in respect of VPS Notes as detailed in the VPS Agency Agreement.

The Final Terms of each Tranche of VPS Notes (or the relevant provisions thereof) are set out in Part A of the Final Terms which supplement these Terms and Conditions of the VPS Notes (the VPS Conditions) and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these VPS Conditions, replace or modify these VPS Conditions for the purposes of the VPS Notes. References to the applicable Final Terms are to Part A of the Final Terms (or the relevant provisions thereof) which supplement these VPS Conditions.

The VPS Trustee acts for the benefit of the holders for the time being of the VPS Notes (the VPS Noteholders and the holders of VPS Notes), in accordance with the provisions of the VPS Trustee Agreement and these VPS Conditions.

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

Copies of the VPS Agency Agreement and the VPS Trustee Agreement are available for inspection during normal business hours at the specified office of the VPS Agent and at the registered office for the time being of the VPS Trustee at 31 May 2011 at Haakon VII's gate 1, 0161, Oslo, Norway. The VPS Noteholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the VPS Agency Agreement, the VPS Trustee Agreement and the Final Terms which are applicable to them. The statements in these VPS Conditions include summaries of, and are subject to, the detailed provisions of the VPS Agency Agreement and the VPS Trustee Agreement.

Words and expressions defined in the VPS Agency Agreement or the VPS Trustee Agreement or used in the applicable Final Terms shall have the same meanings where used in these VPS Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the VPS

Terms and Conditions of the VPS Notes

Trustee Agreement and the VPS Agency Agreement, the VPS Trustee Agreement will prevail, and in the event of inconsistency between the VPS Trustee Agreement or the VPS Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

1. FORM, DENOMINATION AND TITLE

The VPS Notes are in uncertificated book entry form in the denomination of NOK 500,000 and/or such other currency and Specified Denomination(s) as shown in Part A of the relevant Final Terms provided that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a Prospectus under the Prospectus Directive, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes) and will be registered with a separate securities identification code in the VPS.

VPS Notes of one Specified Denomination may not be exchanged for Notes, VPS or otherwise, of another Specified Denomination. VPS Notes will be registered with a separate securities identification code in the VPS.

VPS Notes may not be exchanged for Notes other than VPS Notes, issued by the Issuer, and *vice versa*.

A VPS Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, a Dual Currency Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

A VPS Note may be an Index Linked Redemption Note, an Instalment Note, a Dual Currency Redemption Note, a Partly Paid Note or a combination of any of the foregoing, depending on the Redemption/Payment Basis shown in the applicable Final Terms.

The holder of a VPS Note will be the person evidenced as such by a book entry in the records of the VPS. The Issuer and the VPS Trustee may rely on a certificate of the VPS or one issued on behalf of the VPS by an account-carrying institution as to a particular person being a VPS Noteholder.

Title to the VPS Notes will pass by registration in the VPS between the direct or indirect accountholders at the VPS in accordance with the rules and procedures of the VPS that are in force from time to time. Where a nominee is so evidenced, it shall be treated by the Issuer as the holder of the relevant VPS Note.

Each person who is for the time being shown in the records of the VPS as the holder of a particular nominal amount of such VPS Notes shall be treated by the Issuer, the VPS Trustee and the VPS Agent, as the holder of such nominal amount of such VPS Notes for all purposes. VPS Notes will be transferable only in accordance with the rules and procedures for the time being of the VPS.

2. STATUS OF THE VPS NOTES

2.1 Status of the Notes

Each Tranche of VPS Notes will constitute unsubordinated obligations of the Issuer and will rank *pari passu* without any preference among themselves. The Notes are obligations issued in accordance with the Covered Bond Act and rank *pari passu* with all other obligations of the Issuer that have been provided the same priority as covered bonds (*säkerställda obligationer*) issued in accordance with the terms of the Covered Bond Act.

2.2 Overcollateralisation

For so long as the VPS Notes are outstanding, the Issuer shall procure that the nominal value of the cover pool (*Swedish: det nominella värdet av säkerhetsmassan*, as per section 3:8 of the Covered Bond Act) at all times exceeds the aggregate nominal value of claims which may be asserted against the Issuer on account of covered bonds (*Swedish: det sammanlagda nominella värdet av de fordringar som kan göras gällande mot emittentinstitutet på grund av säkerställda obligationer*, as per section 3:8 of the Covered Bond Act) by 10 per cent., or such other percentage as may be selected by the Issuer from time to time and notified to the VPS Trustee and each relevant rating agency (the Alternative Overcollateralisation

Terms and Conditions of the VPS Notes

Percentage), provided that the Issuer shall not at any time select an Alternative Overcollateralisation Percentage unless:

- (A) the credit rating (if any) assigned to the VPS Notes at such time by each rating agency which has assigned a credit rating to the Notes is Aaa (in the case of VPS Notes rated by Moody's Investors Service Limited or its successors) and/or AAA (in the case of VPS Notes rated by Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc. or its successors); and
- (B) each rating agency (if any) which has assigned a credit rating to the VPS Notes at such time has confirmed in writing to the Issuer that, at the time of its confirmation, the selection of such Alternative Overcollateralisation Percentage would not in and of itself result in any credit rating then assigned to the Notes by such rating agency being reduced, removed, suspended or placed on creditwatch.

3. INTEREST

3.1 *Interest on Fixed Rate Notes*

Each Fixed Rate Note will bear interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) 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.

Except as provided in the applicable Final Terms, 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, amount to the Broken Amount so specified.

As used in these VPS 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.

If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination, 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.

In these VPS Conditions:

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 3.1:

- (a) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:
 - (i) in the case of VPS 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 (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (ii) in the case of VPS Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (A) 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 that would occur in one calendar year; and

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- (B) 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
- (b) if "30/360" is specified in the applicable Final Terms, 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.

Determination Period means each 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, one cent.

3.2 Interest on Floating Rate Notes and Index Linked Interest Notes

(a) Interest Payment Dates

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount (or if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, 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 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 VPS 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 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:

- (A) in any case where Specified Periods are specified in accordance with Condition 3.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) 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 (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) 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

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- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these VPS 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 each Additional Business Centre specified in the applicable Final Terms; and
- (b) either (i) 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 (ii) 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.

(b) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified in the applicable Final Terms.

(i) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms 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) the Margin (if any). For the purposes of this subparagraph (i), ISDA Rate for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation 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:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is either (a) if the applicable Floating Rate Option is based on the London interbank offered rate (LIBOR) or on the Euro-zone interbank offered rate (EURIBOR), the first day of that Interest Period or (b) in any other case, as specified in the applicable Final Terms.

For the purposes of this subparagraph (i), Floating Rate, Calculation Agent, Floating Rate Option, Designated Maturity and Reset Date have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(ii) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Final Terms 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:

- (A) the offered quotation; or

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- (B) 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 which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by 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 Calculation 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 (A) above, no offered quotation appears or, in the case of (B) above, fewer than three offered quotations appear, in each case as at the Specified Time, the Calculation Agent shall request each of the Reference Banks to provide 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 Calculation Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which 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 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) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Calculation Agent with 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 suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the London interbank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) 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).

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such VPS Notes will be determined as provided in the applicable Final Terms.

- (c) **Minimum Rate of Interest and/or Maximum Rate of Interest**

If the applicable Final Terms 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

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the provisions of paragraph (b) 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 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 (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) **Determination of Rate of Interest and calculation of Interest Amounts**

The Calculation Agent, in the case of Index Linked Interest Notes and Floating Rate 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. The Calculation Agent, in the case of either Floating Rate Notes or Index Linked Interest Notes, will calculate the amount of interest (the Interest Amount) payable on such Floating Rate Notes or Index Linked Interest Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to each Specified Denomination, 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.

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 3.2:

- (i) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable Final Terms, 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 (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) 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, the actual number of days in the Interest Period divided by 365;
- (iii) if "Actual/365 (Sterling)" is specified in the applicable Final Terms, 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, 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, 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:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D₁ will be 30; and

"D₂" 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 D₁ is greater than 29, in which case D₂ will be 30;

- (vi) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, 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:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" 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 D₂ will be 30; and

- (vii) if "30E/360 (ISDA)" is specified in the applicable Final Terms, 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:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" 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 D₁ will be 30; and

"D₂" 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 D₂ will be 30.

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

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 VPS Agent, the VPS Trustee and any stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed (by no later than the first day of each Interest Period) and notice thereof to be published in accordance with Condition 9 as soon as possible after their determination but in no event later than the fourth London Business Day 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 or Index Linked Interest Notes are for the time being listed and to the VPS Noteholders in accordance with Condition 9. 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. The notification of any rate or amount, if applicable, shall be made to the VPS in accordance with and subject to the VPS rules and regulations for the time being in effect.

(f) **Determination or Calculation by the VPS Trustee**

If for any reason at any relevant time the Calculation Agent defaults in its obligation to determine the Rate of Interest, the VPS 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), it shall deem fair and reasonable in all the circumstances or, as the case may be, the VPS 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 Calculation Agent.

(g) **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 3.2 by the Calculation Agent, shall (in the absence of wilful default, bad faith, manifest error or proven error) be binding on all parties and (in the absence of wilful default or bad faith) no liability shall attach to the Calculation Agent or the VPS Trustee in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

3.3 Interest on Dual Currency Interest Notes

The rate or amount of interest payable in respect of Dual Currency Interest Notes shall be determined in the manner specified in the applicable Final Terms.

3.4 Interest on Partly Paid Notes

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such VPS Notes and otherwise as specified in the applicable Final Terms.

3.5 Accrual of interest

Each VPS Note (or in the case of the redemption of part only of a VPS Note, that part only of such VPS Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such VPS Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such VPS Note has been received by the VPS Agent and notice to that effect has been given to the VPS Noteholders in accordance with Condition 9.

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3.6 *Calculation Agent*

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in respect of the VPS Notes and for so long as any VPS Note is outstanding (as defined in Condition 15). Where more than one Calculation Agent is appointed in respect of the VPS Notes, references in these VPS Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the VPS Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall (with the prior approval of the VPS Trustee) appoint a leading bank or investment banking firm engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

4. PAYMENTS

4.1 *Method of payment*

Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with 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
- (b) 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.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 6.

4.2 *Payments in respect of VPS Notes*

Payments of principal and interest in respect of VPS Notes and notification thereof to VPS Noteholders will be made to the VPS Noteholders shown in the records of the VPS and will be effected through and in accordance with and subject to the rules and regulations from time to time governing the VPS. The VPS Agent and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any VPS Noteholder. The Issuer reserves the right at any time with the approval of the VPS Trustee to vary or terminate the appointment of the VPS Agent or the Calculation Agent and to appoint additional or other agents, provided that the Issuer shall at all times maintain (i) a VPS Agent authorised to act as an account operating institution with the VPS, (ii) one or more Calculation Agent(s) where the VPS Conditions so require, and (iii) such other agents as may be required by any other stock exchange on which the VPS Notes may be listed in each case.

Notice of any such change or of any change of any specified office shall promptly be given to the VPS Noteholders in accordance with Condition 9.

4.3 *Payment Day*

If the date for payment of any amount in respect of any VPS Note is not a Payment Day, the holder thereof shall not be entitled to payment of the relevant payment due until the next following Payment Day and shall not be entitled to any interest or other payment in respect of any such delay. For these purposes, Payment Day means any day which (subject to Condition 7) is:

- (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 each Additional Financial Centre specified in the applicable Final Terms; and

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- (b) either (A) 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 (B) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

4.4 Interpretation of principal and interest

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

- (a) the Final Redemption Amount of the VPS Notes;
- (b) the Optional Redemption Amount(s) (if any) of the VPS Notes;
- (c) in relation to VPS Notes redeemable in instalments, the Instalment Amounts;
- (d) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 5.7); and
- (e) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the VPS Notes.

4.5 Redenomination

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the VPS Noteholders but after prior consultation with the VPS Trustee and VPS and at least 30 days' prior notice to the VPS Noteholders in accordance with Condition 9, elect that, with effect from the Redenomination Date specified in the notice, the VPS Notes shall be redenominated in euro.

The election will have effect as follows:

- (a) the VPS Notes shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for each VPS Note equal to the nominal amount of that VPS Note in the Specified Currency, converted into euro at the Established Rate (as defined below), provided that, if the Issuer determines, with the agreement of the VPS Agent and the VPS Trustee, that the then market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the VPS Noteholders and the stock exchange (if any) on which the VPS Notes may be listed of such deemed amendments;
- (b) save to the extent that an Exchange Notice has been given in accordance with paragraph (c) below, the amount of interest due in respect of the VPS Notes will be calculated by reference to the aggregate nominal amount of VPS Notes outstanding for payment to the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (c) if issued prior to the Redenomination Date, the payment obligations contained in any VPS Notes issued prior to the Redenomination Date will become void with effect from the date on which the Issuer gives notice (the Exchange Notice) that replacement euro-denominated VPS Notes will be exchanged for the existing VPS Notes although those VPS Notes will continue to constitute valid exchange obligations of the Issuer. New euro-denominated VPS Notes will be issued in exchange for VPS Notes denominated in the Specified Currency in such manner as the VPS Agent may specify and as shall be notified to the VPS Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the VPS Notes;
- (d) after the Redenomination Date, all payments in respect of the VPS Notes, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the VPS Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be

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credited or transferred) specified by the payee if the VPS Notes are Fixed Rate Notes and, if interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Rate of Interest to the aggregate outstanding nominal amount of the Notes and 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; and

- (c) if the VPS Notes are Floating Rate Notes, the applicable Final Terms will specify any relevant changes to the provisions relating to interest.

5. REDEMPTION AND PURCHASE

5.1 *Redemption at maturity*

Unless previously redeemed or purchased and cancelled as specified below, each VPS Note (including each Index Linked Redemption Note and Dual Currency Redemption 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 in the relevant Specified Currency on the Maturity Date.

5.2 *Redemption at the option of the Issuer (Issuer Call)*

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having given not less than 15 nor more than 30 days' notice to the VPS Noteholders in accordance with Condition 9 (which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the VPS 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 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 and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms. In the case of a partial redemption of VPS Notes, the VPS Notes to be redeemed will be selected in accordance with the rules and procedures of the VPS in relation to such VPS Notes not more than 30 days prior to the date fixed for redemption.

5.3 *Instalments*

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms.

5.4 *Partly Paid Notes*

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Final Terms.

5.5 *Purchases*

The Issuer or any subsidiary of the Issuer may at any time purchase VPS Notes at any price in the open market or otherwise.

5.6 *Cancellation*

All VPS Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be cancelled by causing such VPS Notes to be deleted from the records of the VPS. All VPS Notes which are redeemed will forthwith be cancelled in the same manner. Any VPS Notes so cancelled may not be reissued or resold and the obligations of the Issuer in respect of any such VPS Notes shall be discharged.

5.7 *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 Condition 5.1 or 5.2 above is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be an amount (the Amortised Face Amount) calculated in accordance with the following formula:

$$\text{Amortised Face Amount} = \text{RP} \times (1 + \text{AY})^Y$$

where:

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RP means the Reference Price;

AY means the Accrual Yield expressed as a decimal; and

y is a fraction the numerator of which is 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 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 VPS Agent or the VPS Trustee and notice to that effect has been given to the VPS Noteholders in accordance with Condition 9,

and the denominator of which is 360,

or on such other calculation basis as may be specified in the applicable Final Terms.

6. TAXATION

All payments of principal and interest in respect of the VPS Notes by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law, in which case such withholding or deduction will be made by the Issuer.

As used herein, Tax Jurisdiction means the Kingdom of Sweden or any political subdivision or any authority thereof or therein having power to tax.

7. PRESCRIPTION

The VPS Notes 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 15) therefor.

8. TRANSFER AND EXCHANGE OF VPS NOTES

8.1 *Transfers of Interests in VPS Notes*

Settlement of sale and purchase transactions in respect of VPS Notes will take place three Oslo Business Days after the date of the relevant transaction. VPS Notes may be transferred between accountholders at the VPS in accordance with the procedures and regulations, for the time being, of the VPS. A transfer of VPS Notes which is held in the VPS through Euroclear or Clearstream, Luxembourg is only possible by using an account operator linked to the VPS.

8.2 *Registration of transfer upon partial redemption*

In the event of a partial redemption of VPS Notes under Condition 5, the Issuer shall not be required to register the transfer of any VPS Note, or part of a VPS Note, called for partial redemption.

8.3 *Costs of registration and administration of the VPS Register*

VPS Noteholders will not be required to bear the costs and expenses of effecting any registration, transfer or administration in relation to the VPS Register, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

9. NOTICES

Notices to the VPS Noteholders shall be valid if the relevant notice is given to the VPS for communication by it to the VPS Noteholders and, so long as the VPS Notes are listed on a stock exchange, the Issuer shall ensure that notices are duly published in a manner which complies with the rules of such exchange (which in the case of Notes admitted to trading on the Luxembourg Stock Exchange's regulated market, and listed on the Official List of the Luxembourg Stock Exchange, must be in a daily newspaper of general circulation in

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Luxembourg and/or on the Luxembourg Stock Exchange's website www.bourse.lu). Any such notice given to the VPS shall be deemed to have been given on the date two days after delivery to the VPS.

10. MEETINGS OF VPS NOTEHOLDERS AND MODIFICATION

Provisions with respect to Holders of VPS Notes

The VPS Trustee Agreement contains provisions for convening meetings of the VPS Noteholders to consider any matter affecting their interests, including sanctioning by a majority of votes (as more fully set out in the VPS Trustee Agreement) a modification of the VPS Notes or any of the provisions of the VPS Trustee Agreement (or, in certain cases, sanctioning by a majority of two thirds of votes). Such a meeting may be convened by the Issuer, the VPS Trustee, by VPS Noteholders holding not less than 10 per cent. of the Voting VPS Notes or, with respect to VPS Notes listed on an exchange (but without prejudice to the foregoing), the exchange in accordance with the applicable rules of such exchange. (For the purpose of this Condition, Voting VPS Notes means the aggregate nominal amount of the total number of VPS Notes not redeemed or otherwise deregistered in the VPS, less the VPS Notes owned by the Issuer, any party who has decisive influence over the Issuer or any party over whom the Issuer has decisive influence.)

The quorum at a meeting for passing a resolution is one or more persons holding at least one half of the Voting VPS Notes or at any adjourned meeting one or more persons being or representing holders of Voting VPS Notes whatever the nominal amount of the VPS Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the VPS Notes, the VPS Trustee Agreement (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 Voting VPS 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 Voting VPS Notes. A resolution passed at any meeting of the VPS Noteholders shall be binding on all the VPS Noteholders, whether or not they are present at such meeting.

Modification

The VPS Trustee Agreement provides that:

- (i) the VPS Trustee may in certain circumstances, without the consent of the VPS Noteholders, make decisions binding on all VPS Noteholders relating to the VPS Conditions, the applicable Final Terms or the VPS Trustee Agreement or that is not, in the VPS Trustee's opinion, materially prejudicial to the interests of the VPS Noteholders; and
- (ii) that the VPS Trustee may reach decisions binding for all VPS Noteholders.

11. VPS TRUSTEE

The VPS Trustee Agreement contains provisions for the indemnification of the VPS Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured to its satisfaction. VPS Noteholders are deemed to have accepted and will be bound by the VPS Conditions and the terms of the VPS Trustee Agreement.

12. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the VPS Noteholders to create and issue, *inter alia*, further notes having terms and conditions the same as the VPS 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 VPS Notes.

13. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this VPS Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

14. GOVERNING LAW AND SUBMISSION TO JURISDICTION

14.1 *Governing law*

The VPS Notes (and any non-contractual obligations arising out of or in connection with them) are governed by, and shall be construed in accordance with, English law, save as to Condition 2, which is governed by and shall be construed in accordance with Swedish law and Conditions 10, 11 and 12 which are governed by and shall be construed in accordance with Norwegian law. The VPS Trustee Agreement and VPS Agency Agreement are governed by and shall be construed in accordance with Norwegian law.

VPS Notes must comply with the Norwegian Securities Act of 5 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.

14.2 *Submission to jurisdiction*

The Issuer agrees, for the exclusive benefit of the VPS Noteholders, that the courts of England and Wales are to have jurisdiction to settle any disputes which may arise out of or in connection with the VPS Notes and that accordingly any suit, action or proceedings (together referred to as Proceedings) arising out of or in connection with the VPS Notes (including any Proceedings relating to any non-contractual obligations arising out of or in connection with it) 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.

The Issuer agrees, for the exclusive benefit of the VPS Trustee and the VPS Noteholders that the courts of Norway are to have jurisdiction to settle any disputes which may arise out of, or in connection with, the VPS Trustee Agreement and the VPS Agency Agreement (including a dispute relating to any non-contractual obligations arising out of or in connection with it).

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.

14.3 *Appointment of Process Agent*

The Issuer appoints The Swedish Trade Council at its registered office at Winchester House, 259-269 Old Marylebone Road, London NW1 5RA as its agent for service of process, and undertakes that, in the event of The Swedish Trade Council ceasing so to act or ceasing to be registered in England, it will appoint another person 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.

15. DEFINITIONS

In these VPS Conditions the following words shall have the following meanings:

Agency Agreement means an agency agreement dated 31 May 2011 between the Issuer and the agents named therein, as amended and/or supplemented and/or restated from time to time;

Calculation Agency Agreement in relation to any Series of VPS Notes means an agreement in or substantially in the form of Schedule 1 to the Agency Agreement;

Calculation Agent means, in relation to the VPS Notes of any Series, the person appointed as calculation agent in relation to the VPS Notes by the Issuer pursuant to the provisions of a Calculation Agency Agreement (or any other agreement) and shall include any successor calculation agent appointed in respect of the VPS Notes;

Dual Currency Interest Note means a VPS Note in respect of which payments of interest are made or to be made in such different currencies, and at rates of exchange calculated upon such basis or bases as the Issuer and the relevant Dealer may agree, as indicated in the applicable Final Terms;

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Dual Currency Redemption Note means a VPS Note in respect of which payments of principal are made or to be made in such different currencies, and at rates of exchange calculated upon such basis or bases as the Issuer and the relevant Dealer may agree, as indicated in the applicable Final Terms;

Established Rate means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Union regulations) into euro established by the Council of the European Union pursuant to Article 140 of the Treaty;

euro means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

Fixed Rate Note means a VPS Note on which interest is calculated at a fixed rate payable in arrear on one or more Interest Payment Dates in each year as may be agreed between the Issuer and the relevant Dealer, as indicated in the applicable Final Terms;

Floating Rate Note means a VPS Note on which interest is calculated at a floating rate, payable in arrear on one or more Interest Payment Dates in each year as may be agreed between the Issuer and the relevant Dealer, as indicated in the applicable Final Terms;

Index Linked Interest Note means a VPS Note in respect of which the amount in respect of interest payable is calculated by reference to an index and/or a formula as the Issuer and the relevant Dealer may agree, as indicated in the applicable Final Terms;

Index Linked Redemption Note means a VPS Note in respect of which the amount in respect of principal payable is calculated by reference to an index and/or a formula as the Issuer and the relevant Dealer may agree, as indicated in the applicable Final Terms;

Interest Commencement Date means, in the case of interest bearing VPS Notes, the date specified in the applicable Final Terms from and including which the VPS Notes bear interest, which may or may not be the Issue Date;

Issue Date means, in respect of any VPS Note, the date of issue and purchase of the VPS Note;

Issue Price means the price, generally expressed as a percentage of the nominal amount of the VPS Notes, at which the VPS Notes will be issued;

Oslo Business Days means 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 Oslo;

outstanding means, in relation to the VPS Notes of any Series, all the VPS Notes issued other than:

- (a) those VPS Notes which have been redeemed and cancelled pursuant to these VPS Conditions;
- (b) those VPS Notes in respect of which the date for redemption in accordance with these VPS Conditions has occurred and the redemption moneys (including all interest (if any) accrued to the date for redemption and any interest (if any) payable under these VPS Conditions after that date) have been duly paid to or to the order of the VPS Agent in the manner provided in these VPS Conditions and the VPS Agency Agreement (and where appropriate notice to that effect has been given to the VPS Noteholders in accordance with these VPS Conditions) and remain available for payment of the relevant VPS Notes;
- (c) those VPS Notes which have been purchased and cancelled in accordance with these VPS Conditions; and
- (d) those VPS Notes in respect of which claims have become prescribed under these VPS Conditions;

Redenomination Date means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given

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to the VPS Noteholders pursuant to Condition 4.5 and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union;

Reference Banks means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent or as specified in the applicable Final Terms;

Relevant Date means the date on which a payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the VPS Agent 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 VPS Noteholders in accordance with Condition 9.

Specified Time means 11.00 a.m. (London time, in the case of a determination of LIBOR, or Brussels time, in the case of a determination of EURIBOR);

Treaty means the Treaty on the Functioning of the European Union, as amended; and

Zero Coupon Note means a VPS Note on which no interest is payable.