



EUR 5,000,000,000
STRUCTURED NOTE PROGRAMME

This Base Prospectus has been approved by the Luxembourg Commission de Surveillance du Secteur Financier (the “CSSF”), which is the Luxembourg competent authority for the purpose of the Prospectus Directive (as defined below) and relevant implementing legislation in Luxembourg, as a base prospectus issued in compliance with the Prospectus Directive and relevant implementing legislation in Luxembourg for the purpose of giving information with regard to the issue of notes (the “Notes”) under the programme (the “Programme”) during the period of twelve months from the date of its publication. This Base Prospectus constitutes a base prospectus for the purposes of Article 5.4 of the Prospectus Directive. The CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer in accordance with Article 7(7) of the Luxembourg Act dated 10 July 2005 on prospectuses for securities. Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme 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. The Luxembourg Stock Exchange’s regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further listing authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer (as defined below).

*An investment in Notes issued under the Programme involves certain risks. Prospective purchasers of Notes should ensure that they understand the nature of the relevant Notes and the extent of their exposure to risks and that they consider the suitability of the relevant Notes as an investment in the light of their own circumstances and financial condition. **CERTAIN ISSUES OF NOTES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE PURCHASERS OF NOTES SHOULD BE PREPARED TO SUSTAIN A LOSS OF ALL OR PART OF THEIR INVESTMENT.** It is the responsibility of prospective purchasers of Notes to ensure that they have sufficient knowledge, experience and professional advice to make their own legal, financial, tax, accounting and other business evaluation of the merits and risks of investing in the relevant Notes and are not relying on the advice of the Issuer or any Dealer in that regard. For a discussion of these risks see “Risk Factors” below.*

Arranger for the Programme

DANSKE BANK

Dealer

DANSKE BANK

This Base Prospectus should be read and construed together with any supplement hereto and with any documents incorporated by reference herein and, in relation to any Series (as defined below) of Notes, should be read and construed together with the relevant Final Terms (as defined below). No person has been authorised by Danske Bank A/S (the “**Issuer**”) or Danske Bank A/S in its capacity as a dealer (together with any additional dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis, the “**Dealers**” and each a “**Dealer**”) to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer.

No representation or warranty is made or implied by any Dealer or any of its affiliates, and no Dealer or any of its affiliates makes any representation or warranty or accepts any responsibility, as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change in the financial situation of the Issuer since the date thereof, or, as the case may be, the date upon which this Base Prospectus has been most recently supplemented or the balance sheet date of the most recent financial statements which are deemed to be incorporated into this Base Prospectus by reference or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer and any Dealer to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see Subscription and Sale. In particular, Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the “**Securities Act**”) and trading in Notes has not been approved by the Commodities Futures Trading Commission under the Commodity Exchange Act, as amended. Notes may be in bearer form which are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons. **Neither this Base Prospectus nor any Final Terms may be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.**

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer or any Dealer that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to

Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by Final Terms which specifies that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or Final Terms, as applicable, and the Issuer has consented in writing to its use for the purpose of such offer. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer. As used herein, the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in the Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

Any person (an “**Investor**”) intending to acquire or acquiring any Notes from any person (an “**Offeror**”) should be aware that, in the context of an offer to the public as defined in the Prospectus Directive, the Issuer may be responsible to the Investor for this Base Prospectus only if the Issuer is acting in association with, or has authorised, that Offeror to make the offer to the Investor. Each Investor should therefore verify with the Offeror whether or not the Offeror is acting in association with, or is authorised by, the Issuer. If the Offeror is not acting in association with, or authorised by, the Issuer, the Investor should check with the Offeror whether anyone is responsible for this Base Prospectus for the purposes of Article 6 of the Prospectus Directive as implemented by the national legislation of each Member State of the European Economic Area in the context of the offer to the public, and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

Subject as provided in the relevant Final Terms, the only persons authorised to use this Base Prospectus in connection with an offer of Notes are the persons named in the relevant Final Terms as the relevant Dealer or the Managers and the persons named in or identifiable from the relevant Final Terms as the Financial Intermediaries, as the case may be.

An Investor intending to acquire or acquiring any Notes from an Offeror will do so, and offers and sales of the Notes to an Investor by an Offeror will be made, in accordance with any terms and other arrangements in place between such Offeror and such Investor including as to price, allocations and settlement arrangements. The Issuer will not be a party to any such arrangements with Investors (other than the Arranger and the Dealers) in connection with the offer or sale of the Notes and, accordingly, this Base Prospectus and any Final Terms will not contain such information. The Investor must look to the Offeror at the time of such offer for the provision of such information. The Issuer has no responsibility to an Investor in respect of such information.

The rating of certain Series of Notes to be issued under the Programme may be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”) will be disclosed in the relevant Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

All references in this Base Prospectus to “**Danish Kroner**”, “**kroner**”, “**DKr**” or “**DKK**” are to the currency of Denmark, to “**EUR**” or “**euro**” are to the currency introduced at the third stage of European economic and monetary union pursuant to the Treaty on the functioning of the European Union of those members of the European Union which are participating in the European economic and monetary union, to “**Japanese Yen**” or “**Yen**” are to the currency of Japan and all references to “**U.S.\$**”, “**USD**” and “**U.S. Dollars**” are to the currency of the United States of America.

Responsibility Statement

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. This paragraph should be read in conjunction with the second paragraph on page 3 of this Base Prospectus. References herein to this “Base Prospectus” are to this document, as supplemented from time to time including the documents incorporated by reference.

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IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN THE RELEVANT FINAL TERMS MAY OVER ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF A STABILISING MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN AT ANY TIME AFTER THE ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF NOTES AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF NOTES. SUCH STABILISING OR OVER ALLOTMENT SHALL BE CONDUCTED IN ACCORDANCE WITH ALL APPLICABLE LAWS, REGULATIONS AND RULES.

SUMMARY OF THE BASE PROSPECTUS

This summary must be read as an introduction to this Base Prospectus and any decision to invest in any Notes should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area, no civil liability will attach to the Issuer in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus. Where a claim relating to the information contained in this Base Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Base Prospectus before the legal proceedings are initiated.

Words and expressions defined in the “Terms and Conditions of the Notes” below or elsewhere in this Base Prospectus have the same meanings in this summary.

Essential characteristics and risks associated with the Issuer

The Group provides a wide range of banking, mortgage finance and insurance products as well as other financial services, and is the leading financial service provider in Denmark – and one of the largest in the Nordic region – measured by total assets as at 31 December 2011.

Danske Bank is represented through branches in the Nordic countries, Ireland, the United Kingdom (London), Germany, Poland and in the Baltic countries, and through subsidiaries in Finland, Northern Ireland, Luxembourg and Russia.

The Group currently serves approximately five million customers. Approximately 2.1 million customers use the Group’s online services.

The Group has until 1 June 2012 operated its business through five business units, namely Banking Activities, Danske Markets and Treasury, Danske Capital, Danica Pension and Other Activities.

As of 1 June 2012 the Group has created a new organisation structured around three business units: Personal Banking, Business Banking and Corporates & Institutions.

As a group with activities throughout the world, the Issuer faces a variety of risks. The Issuer considers the management of risk one of its core competencies. Considerable resources are spent on developing procedures and tools to match the best practices in risk management. Danske Bank identifies and manages the following main categories of risk: credit risk, market risk, liquidity risk, operational risk, insurance risk and pension risk.

Essential characteristics and risks associated with the Notes

The Issuer may, subject to compliance with all relevant laws, regulations, directives and central bank requirements, from time to time, issue Notes denominated in any currency. Payments in respect of Notes may, subject to compliance as aforesaid, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated. The following types of Note may be issued: (i) Notes which bear interest at a fixed rate or a floating rate; (ii) Notes which do not bear interest; and (iii) Notes which bear interest, and/or the redemption amount of which is calculated by reference to a specified factor such as a movement in an index, a currency exchange rate or an inflation rate or a change in equity or commodity prices (or any other factors). In addition, Notes which have any combination of the foregoing features may also be issued. Interest periods, rates of interest and the terms of and/or amounts payable or deliverable on redemption may differ depending on the Notes being issued and such terms will be specified in the relevant Final Terms.

The aggregate principal amount of Notes outstanding will not at any time exceed EUR 5,000,000,000 (or its equivalent in other currencies), subject to any duly authorised increase. The Notes may be issued in bearer form, with or without interest coupons, or, in the case of VP Systems Notes, in uncertificated and dematerialised book entry form, in each case in the denominations specified in the relevant Final Terms.

Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and at least *pari passu* with all other unsubordinated and unsecured obligations (including liabilities in respect of deposits) of the Issuer (save for certain mandatory exceptions provided by law).

Notes may involve a high degree of risk. There are certain factors which are material for the purpose of assessing the market risks associated with investing in any issue of Notes, which include, without limitation, the fact that Notes are unsecured obligations of the Issuer, that there may be a time lag between valuation and settlement in relation to a Note, that there may be potential conflicts of interest, that market disruptions or other events may occur in respect of the particular Reference Item(s) (as defined under “Risks related to the structure of a particular issue of Notes” in “Risk Factors”) to which the amounts payable and/or deliverable, as the case may be, in respect of the relevant Notes may relate, as specified in the relevant Final Terms, that there may be taxation risks, that there may be illiquidity of the Notes in the secondary market, that there may be the risk that performance of the Issuer’s obligations under the Notes may become illegal, that there may be exchange rate risks and exchange controls and that the market value of the Notes may be affected by the creditworthiness of the Issuer and a number of additional factors. In addition, prospective investors in Reference Item-Linked Notes (as defined under “Risks related to the structure of a particular issue of Notes” in “Risk Factors”) should understand the risks of transactions involving Reference Item-Linked Notes and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Reference Item-Linked Notes in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Reference Item-Linked Notes and the particular Reference Item(s) to which the value of, or payments in respect of, the relevant Reference Item Linked Notes may relate, as specified in the relevant Final Terms. Where the relevant Final Terms specify one or more Reference Item(s), the relevant Notes will represent an investment linked to the performance of such Reference Item(s) and prospective investors should note that the return (if any) on their investment in the Notes will depend upon the performance of the relevant Reference Item(s). See “Risks related to the structure of a particular issue of Notes” in “Risk Factors” below. **THE AMOUNT PAID OR THE VALUE OF THE REFERENCE ITEM(S) DELIVERABLE ON REDEMPTION OF THE NOTES MAY BE LESS THAN THE NOMINAL AMOUNT OF THE NOTES, TOGETHER WITH ANY ACCRUED INTEREST, AND MAY IN CERTAIN CIRCUMSTANCES BE ZERO. PROSPECTIVE PURCHASERS OF REFERENCE ITEM-LINKED NOTES MUST REVIEW THE RELEVANT FINAL TERMS TO ASCERTAIN WHAT THE REFERENCE ITEM(S) ARE AND TO SEE HOW BOTH ANY CASH AMOUNTS AND/OR ASSET AMOUNTS ARE PAYABLE OR DELIVERABLE AND HOW ANY PERIODIC INTEREST PAYMENTS ARE DETERMINED AND WHEN ANY SUCH AMOUNTS ARE PAYABLE AND/OR DELIVERABLE, AS THE CASE MAY BE, BEFORE MAKING ANY DECISION TO PURCHASE ANY REFERENCE ITEM-LINKED NOTES.**

Payments of interest in respect of Index-Linked Interest Notes will be made by reference to a single index or a basket of indices and/or such formula as specified in the relevant Final Terms. Payments of principal in respect of Index-Linked Redemption Notes will be calculated by reference to a single index or a basket of indices. Each nominal amount of Notes equal to the Calculation Amount specified in the relevant Final Terms will be redeemed by payment of the Index-Linked Redemption Amount specified in the relevant Final Terms, or if not so specified, as defined in the “Terms and Conditions of the Notes”.

If an Index Adjustment Event (being, in summary, a material change in the formula for or the method of calculating a relevant index, any other material modification of the relevant index, a cancellation of the relevant index or a failure to calculate and announce a relevant index) occurs, at the Issuer's option, the

Notes may be subject to adjustment, the relevant index may be substituted by a replacement index or the Issuer may redeem the Notes, all as more fully set out under “Terms and Conditions of the Notes”.

Payments of interest in respect of Equity-Linked Interest Notes will be calculated by reference to a single equity security or basket of equity securities on such terms as specified in the relevant Final Terms. Payments of principal in respect of Equity-Linked Redemption Notes will be calculated by reference to a single equity security or a basket of equity securities. Each nominal amount of Notes equal to the Calculation Amount specified in the relevant Final Terms will be redeemed by payment of the Equity-Linked Redemption Amount specified in the relevant Final Terms or, if not so specified, as defined in the “Terms and Conditions of the Notes”. Equity-Linked Redemption Notes may also provide that redemption will be by physical delivery of a given number of Reference Item(s). Accordingly, an investment in Equity-Linked Redemption Notes may bear similar risks to a direct equity investment and investors should take advice accordingly.

If “Potential Adjustment Events” (being, in summary, certain corporate events which may have a diluting, concentrative or other effect on the theoretical value of the relevant equity securities) and/or “Extraordinary Events” (being, in summary, a de-listing, a merger event, a tender offer, a nationalisation or an insolvency, in each case, affecting the relevant equity securities) are specified as applying in the relevant Final Terms, the Notes may be subject to adjustment or, if “Extraordinary Events” are specified as applying in the relevant Final Terms, the Issuer may redeem the Notes, all as more fully set out under “Terms and Conditions of the Notes”. In respect of Equity-Linked Notes relating to an equity security or equity securities originally quoted, listed and/or dealt as of the trade date in a currency of a member state of the European Union that has not adopted the euro, if such equity security or equity securities is/are at any time after the trade date quoted, listed and/or dealt exclusively in euro, the Notes will be subject to adjustment, all as more fully set out under “Terms and Conditions of the Notes”.

If, in the case of Index-Linked Notes and Equity-Linked Notes only, “Additional Disruption Events” (being, among other things, certain disruption events affecting the hedging activities of the Issuer and/or any of its Affiliates and/or any Hedging Party) are specified as applying in the relevant Final Terms, the Notes will be subject to adjustment or may be redeemed upon the occurrence of any of the Additional Disruption Events specified as applying in the relevant Final Terms, all as more fully set out under “Terms and Conditions of the Notes”.

Where the Notes are Index-Linked Notes or Equity-Linked Notes, the Calculation Agent may determine that a Disrupted Day has occurred or exists at a relevant time. Any such determination may have an effect on the value of the Notes and/or may delay settlement in respect of the Notes. Prospective investors should review the “Terms and Conditions of the Notes” and the relevant Final Terms to ascertain whether and how such provisions apply to the Notes.

Where any Equity-Linked Notes are to be settled by Physical Delivery, the Calculation Agent may determine that a Settlement Disruption Event is subsisting and/or, where “Failure to deliver due to Illiquidity” is specified as applying in the relevant Final Terms, that it is impossible or impractical to deliver when due some or all of the assets due to be delivered due to illiquidity in the relevant market. Any such determination may affect the value of the Equity-Linked Notes and/or may delay settlement in respect of the Notes and/or result in whole or partial cash settlement in respect of the Equity-Linked Notes. Prospective investors should review the “Terms and Conditions of the Notes” and the relevant Final Terms to ascertain whether and how such provisions apply to the Equity-Linked Notes.

Payments (whether in respect of principal or interest and/or whether at maturity or otherwise) in respect of Currency-Linked Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the relevant Final Terms. Each nominal amount of Notes equal to the Calculation Amount specified in the relevant Final Terms will be redeemed by payment of the Currency-Linked Redemption Amount specified in the relevant Final Terms.

Payments of interest in respect of Inflation-Linked Interest Notes will be made by reference to a single inflation index or a basket of inflation indices and/or such formula as specified in the relevant Final Terms. Payments of principal in respect of Inflation-Linked Redemption Notes will be calculated by reference to a single inflation index or a basket of inflation indices. Each nominal amount of Notes equal to the Calculation Amount specified in the relevant Final Terms will be redeemed by payment of the Inflation-Linked Redemption Amount specified in the relevant Final Terms.

If (i) there is a delay in publication of an inflation index, the Calculation Agent shall determine a substitute level for the relevant inflation index in respect of the Affected Payment Date or (ii) there is a cessation of publication of an inflation index, the Calculation Agent shall determine a successor inflation index to the relevant inflation index or the Notes may be redeemed early, all as more fully set out under “Terms and Conditions of the Notes”.

Payments of interest in respect of Commodity-Linked Interest Notes will be made by reference to a single commodity or a basket of commodities and/or such formula as specified in the relevant Final Terms. Payments of principal in respect of Commodity-Linked Redemption Notes will be calculated by reference to a single commodity or a basket of Commodities. Each nominal amount of Notes equal to the Calculation Amount specified in the relevant Final Terms will be redeemed by payment of the Commodity Linked Redemption Amount specified in the relevant Final Terms.

Where the Notes are Commodity-Linked Notes, the Calculation Agent may determine that a Market Disruption Event has occurred or exists at a relevant time. Any such determination may have an effect on the value of the Notes and/or may delay settlement in respect of the Notes or the Issuer may redeem the Notes, all as more fully set out under “Terms and Conditions of the Notes”. Prospective investors should review the “Terms and Conditions of the Notes” and the relevant Final Terms to ascertain whether and how such provisions apply to the Notes.

Where the Notes are Commodity-Linked Notes and Condition 12.F.4 is specified as applicable in the relevant Final Terms, the provisions relating to Index Adjustment Events and/or Additional Disruption Events (as specified in the relevant Final Terms) will also apply to the Notes.

For the avoidance of doubt, Notes linked to a Commodity Index or a basket of Commodity Indices may be either Index-Linked Notes or Commodity-Linked Notes as specified in the relevant Final Terms.

In the event that the Calculation Agent determines in good faith that the performance of the Issuer’s obligations under a Series of Notes or that any arrangements made to hedge the Issuer’s position under such Notes has or will become unlawful, illegal, or otherwise prohibited in whole or in part, the Issuer may, having given notice to Holders, redeem all, but not some only, of the Notes of such Series, each Note being redeemed at the Early Redemption Amount, together with, if so specified in the relevant Final Terms, accrued interest.

If Condition 10.1 is specified as applicable in the relevant Final Terms, all payments in respect of the Notes will be made without deduction of withholding taxes imposed within Denmark subject as provided in Condition 10.1. In the event that any such deduction is made, the Issuer will be required to pay additional amounts to cover the amounts so deducted. If Condition 10.3 is specified as applicable in the relevant Final Terms, the Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

If “Physical Delivery” is specified in the relevant Final Terms as applying in relation to any Equity-Linked Notes, all Delivery Expenses arising from the delivery of any Asset Amount in respect of such Note shall be for the account of the relevant Noteholder and no delivery of any Asset Amount shall be made until all Delivery Expenses have been paid to the satisfaction of the Issuer by the relevant Noteholder.

The Notes will not have the benefit of a negative pledge or a cross default.

Application has been made for Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC. However, Notes may also be issued whereby they will be admitted to listing, trading and/or quotation by other listing authorities, stock exchanges, and/or quotation systems or may be issued on the basis that they will not be admitted to listing, trading and/or quotation by such other listing authority, stock exchange or quotation system.

Bearer Notes in New Global Note form allow for the possibility of such Notes being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for the euro (the "**Eurosystem**") and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. However, in any particular case, such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time.

RISK FACTORS

Prospective investors should read the entire Base Prospectus and reach their own views prior to making any investment decision.

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

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

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons which may not be considered significant risks by the Issuer based on information currently available to it and which it may not currently be able to anticipate.

The following is a general discussion of certain risks typically associated with the Issuer and the acquisition and ownership of Notes. In particular, it does not consider an investor's specific knowledge and/or understanding about risks typically associated with the Issuer and the acquisition and ownership of Notes, whether obtained through experience, training or otherwise, or the lack of such specific knowledge and/or understanding, or circumstances that may apply to a particular investor.

THE PURCHASE OF NOTES MAY INVOLVE SUBSTANTIAL RISKS AND MAY BE SUITABLE ONLY FOR INVESTORS WHO HAVE THE KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS NECESSARY TO ENABLE THEM TO EVALUATE THE RISKS AND THE MERITS OF AN INVESTMENT IN THE NOTES. PRIOR TO MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS SHOULD CONSIDER CAREFULLY, IN LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES, (I) ALL THE INFORMATION SET FORTH IN THIS BASE PROSPECTUS AND, IN PARTICULAR, THE CONSIDERATIONS SET FORTH BELOW AND (II) ALL THE INFORMATION SET FORTH IN THE RELEVANT FINAL TERMS. PROSPECTIVE INVESTORS SHOULD MAKE SUCH ENQUIRIES AS THEY DEEM NECESSARY WITHOUT RELYING ON THE ISSUER OR ANY DEALER.

AN INVESTMENT IN NOTES LINKED TO ONE OR MORE REFERENCE ITEMS MAY ENTAIL SIGNIFICANT RISKS NOT ASSOCIATED WITH INVESTMENTS IN A CONVENTIONAL DEBT SECURITY, INCLUDING BUT NOT LIMITED TO THE RISKS SET OUT BELOW. THE AMOUNT PAID OR THE VALUE OF THE REFERENCE ITEM(S) DELIVERABLE ON REDEMPTION OF THE NOTES MAY BE LESS THAN THE NOMINAL AMOUNT OF THE NOTES, TOGETHER WITH ANY ACCRUED INTEREST, AND MAY IN CERTAIN CIRCUMSTANCES BE ZERO. WHERE THE NOTES ARE REDEEMED BY THE ISSUER BY DELIVERY OF REFERENCE ITEM(S) THE VALUE OF THE REFERENCE ITEM(S) MAY BE LESS THAN THE NOMINAL AMOUNT OF THE NOTES, TOGETHER WITH ANY ACCRUED INTEREST, AND MAY IN CERTAIN CIRCUMSTANCES BE ZERO.

CERTAIN ISSUES OF NOTES INVOLVE A HIGH DEGREE OF RISK AND POTENTIAL INVESTORS SHOULD BE PREPARED TO SUSTAIN A LOSS OF ALL OR PART OF THEIR INVESTMENT.

Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section, unless otherwise stated. References to a numbered "Condition" shall be to the relevant Condition in the Terms and Conditions of the Notes.

Risks relating to the Issuer

The Group is exposed to a number of risks, which it manages at different organisational levels. The categories of risk are as follows:

- Credit risk: Included within credit risk is, *inter alia*, the risk of losses because an entire country may encounter financial difficulties or the risk of losses because of political decisions on nationalization and expropriation. Credit risk includes country, dilution, and settlement and counterparty credit risks. Settlement risk is the risk arising when payments are settled, for example payments for currency transactions and trades in financial instruments, including derivatives. The risk arises when the Group remits payments before it can ascertain that the counterparty has fulfilled its obligations. The credit risk on OTC derivatives contracts, which is included in counterparty risk, is the risk of losses resulting from a customer's default on derivatives contracts with the Group.
- Market risk: The risk of loss because the fair value of the Group's assets and liabilities varies with changes in market conditions.
- Liquidity risk: The risk of loss because the Group's funding costs increase disproportionately, lack of funding prevents the Group from establishing new business, or lack of funding ultimately prevents the Group from meeting its obligations.
- Operational risk: The risk of loss resulting from inappropriate or inadequate internal processes, human or system errors, or external events. It includes legal risk, strategic and reputational risks.
- Insurance risk: All types of risk in the Danica group, including market risk, life insurance risk and operational risk.
- Pension risk: The risk of a pension shortfall in the Group's defined benefit plans that requires it to make additional contributions to cover pension obligations to current and former employees.

Impact of regulatory changes

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

Basel III Framework

In December 2010, the Basel Committee on Banking Supervision adopted proposals imposing, among other things, stricter capital and liquidity requirements upon banks ("**Basel III**"). On 20 July 2011, the European Commission adopted its more than 600 page proposal for a review of the Capital Requirements Directive IV ("**CRD IV**"), including implementation of Basel III in the EU. Negotiations in the Council and European Parliament will take place until a final agreement between the Council, the Parliament and the Commission is expected in mid- or late 2012. Thus, the rules have not yet finally been decided upon. The rules will enter into force by 1 January 2013 though with transitional rules in place.

Under the CRD IV and Basel III framework, the minimum capital requirement for common equity tier 1 ("**CET1**") (which does not include hybrid capital) will be phased in gradually from the current 2 per cent. of risk-weighted assets to up to 9.5 per cent. in 2019. The 9.5 per cent. requirement will include a

“capital conservation buffer requirement” of 2.5 per cent. and a “countercyclical buffer requirement” of 0-2.5 per cent. in addition to the minimum requirement of 4.5 per cent. The countercyclical buffer requirement will apply in periods of excess lending growth in the economy and can vary for each jurisdiction. For each systemic important bank (“SIB”) there will be additional buffer requirements on top of the 9.5 per cent. However, it is still uncertain whether the SIB buffer requirements will be included in the final agreement on CRD IV or whether it will solely be at national discretion to decide the SIB buffer requirements. In Denmark a SIB expert committee has recently been established by the minister for business and growth. The committee is to produce a recommendation by the end of 2012 which will include criteria and requirements for being a Danish SIB. Danske Bank expects that it will be considered to be a Danish SIB. Thus Danske Bank will have increased capital requirements in the future, however the exact amounts have not yet been finally determined.

See “*Basel III*” in “*Description of the Group*” below for a more complete description of Basel III.

The Group may have to pay additional amounts under deposit guarantee schemes

In Denmark and other jurisdictions, deposit guarantee schemes and similar funds (“**Deposit Guarantee Schemes**”) have been implemented from which compensation for deposits may become payable to customers of financial services firms in the event a financial services firm is unable to pay, or unlikely to pay, claims against it. In most jurisdictions in which the Group operates, these Deposit Guarantee Schemes are funded, directly or indirectly, by financial services firms which operate and/or are licensed in the relevant jurisdiction. For example, the Danish scheme covers in full deposits made on certain accounts established according to law, including, among others, certain pension accounts, and up to EUR 100,000 of a customer’s aggregate net ordinary deposits with any bank. Investors in Denmark who hold securities with institutions that are not able to redeliver the securities to the investors as a result of suspended payment or the filing for compulsory winding-up are covered up to the equivalent of EUR 20,000 per investor. As a result of the increased number of distressed banks, in particular since the fall of 2008, the amounts that the banks participating in the Deposit Guarantee Schemes, including the Bank, have paid has increased. Forthcoming revised legislation regarding the Danish Deposit Guarantee Scheme (Bank Package IV (as defined below) and the Deposit Guarantee Scheme Directive) will redefine the Danish scheme as a premium based scheme such that the participating banks’ payments to the scheme will be more constant every year in profit and loss terms. The premium payments will stop when the new target level of funds has been reached. The future target level of funds to be accumulated in Deposit Guarantee Schemes across different EU countries is still under consideration in the political negotiations regarding the Deposit Guarantee Scheme Directive. The final agreement is expected during 2012 with the aim of enforcement in national legislation from end 2012.

The Market Generally

The financial services industry generally prospers in conditions of economic growth, stable geopolitical conditions, capital markets that are transparent, liquid and buoyant, and positive investor sentiment. Each of the Group’s operating segments is affected by general economic and geopolitical conditions, which can cause the Group’s results of operations and financial position to fluctuate from year to year as well as on a long-term basis.

In recent years, there has been significant volatility in the financial markets around the world. The financial turbulence since 2008 and its after-effects on the wider economy have led to generally more difficult earnings conditions for the financial sector and, at the time, resulted in the failures of a number of financial institutions in the United States and Europe and unprecedented action by governmental authorities, regulators and central banks around the world. The recovery that began in the first half of 2011 was followed by increasing concerns and unrest in the financial markets in the second half of the year. The European debt crisis that started in southern Europe escalated and affected the other EU countries. Doubts about how the US would cope with its massive budget deficit also put a damper on global economic growth. The uncertainty is likely to continue in 2012, and the foundation for economic growth appears weak. The economic situation remains unstable. Of the markets in which the Group operates, the Irish economy in

particular has suffered, leading to severe pressure on the Irish banking sector. Other indebted EU countries also face potential fiscal tightening and growth rates may remain weak in the near future.

Many of the Group's markets experienced declining economic growth, rising unemployment and decreasing asset values since 2008. These adverse economic and market conditions affected the Group in a number of ways during these years, including, among others, lower demand for the Group's products and services, volatile returns on Danica Pension's investments and customer funds, increased cost of funding, volatile fair value of many of the Group's financial instruments, higher goodwill impairment charges and increasing loan impairment charges, all of which resulted in lower profitability. Weaker or longer than expected recovery of the business activity in the Group's principal markets could lead to lower than expected revenues and continuing high impairment charges for the Group. If the uncertain and difficult macroeconomic conditions of the past years continue, such conditions may also lead to continuing declines in net interest margins, credit quality and loan portfolio growth, as well as further corrections in prices of real estate and other property held as collateral for loans, which may lead to additional loan impairment charges. Any deterioration in market conditions could adversely affect the Group's income from proprietary trading activities and Danica Pension's investments and customer funds. If economic conditions take longer to improve than currently expected, or circumstances deteriorate, this could have a further material adverse effect on the Group's business, results of operations and financial position.

Additionally, there can be no assurance that the market for debt securities will continue to recover or to the same degree as other recovering global credit market sectors.

Risks related to the market generally

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

The secondary market generally

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

Exchange rate risks and exchange controls

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

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal as measured in the Investor's Currency.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Market Value of Notes

The market value of an issue of Notes will be affected by a number of factors independent of the creditworthiness of the Issuer, including, but not limited to:

- (i) the value and volatility of the Reference Item(s);
- (ii) where the Reference Item(s) is/are equity securities, the dividend rate on the Reference Item(s) and the financial results and prospects of the issuer of each Reference Item;
- (iii) market interest and yield rates;
- (iv) fluctuations in exchange rates;
- (v) liquidity of the Notes or any Reference Item(s) in the secondary market;
- (vi) the time remaining to any redemption date or the maturity date;
- (vii) economic, financial and political events in one or more jurisdictions, including factors affecting capital markets generally and the stock exchange(s) on which any Reference Item may be traded.

The price at which a Noteholder will be able to sell any Notes prior to maturity may be at a discount, which could be substantial, to the market value of such Notes on the issue date, if, at such time, the market price of the Reference Item(s) is below, equal to or not sufficiently above the market price of the Reference Item(s) on the issue date. The historical market prices of any Reference Item should not be taken as an indication of such Reference Item's future performance during the term of any Note.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes and/or the Issuer. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes or the standing of the Issuer. The expected rating(s), if any, of the Notes will be set out in the relevant Final Terms for each Tranche of Notes. Any rating agency may lower its rating or withdraw its rating if, in the sole judgement of the rating agency, the credit quality of the Notes has declined or is in question. If any rating assigned to the Notes is lowered, withdrawn or not maintained, the market value of the Notes may be reduced. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

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

The Notes may not be a suitable investment for all investors

Each potential investor of Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained

or incorporated by reference in this Base Prospectus or any applicable supplement to this Base Prospectus;

- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the currency in which such potential investor's financial activities are principally denominated;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

In addition an investment in the Equity-Linked Notes, Index-Linked Notes, Currency-Linked Notes, Inflation-Linked Notes, Commodity-Linked Notes (each as defined below) or other Notes linked to one or more Reference Item(s) (as defined below), may entail significant risks not associated with investments in a conventional debt security, including but not limited to, the risks set out in *“Risks related to the structure of a particular issue of Notes set out below”*.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to the investor's overall portfolio. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the assistance of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Risks related to the structure of a particular issue of Notes

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

Notes subject to optional redemption by the Issuer

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

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

Risks relating to Reference Item-Linked Notes

The relevant Final Terms will (if applicable) contain information relating to any underlying equity security, index, currency, inflation rate, commodity or other item(s) (each a **“Reference Item”**) to which the relevant Notes relate and which is contained in such Final Terms.

Index-Linked Notes, Equity-Linked Notes, Currency-Linked Notes, Inflation-Linked Notes, Commodity-Linked Notes and Notes linked to other Reference Item(s) (together, “**Reference Item-Linked Notes**”) involve a high degree of risk.

Prospective investors in Reference Item-Linked Notes should understand the risks of transactions involving Reference Item-linked Notes and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Reference Item-Linked Notes in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Reference Item-Linked Notes and the particular Reference Item(s) to which the value of, or payments in respect of, the relevant Reference Item-Linked Notes may relate, as specified in the relevant Final Terms.

As the amount of interest payable periodically and/or principal payable at maturity may be linked to the performance of the relevant Reference Item(s), an investor in a Reference Item-Linked Note must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the relevant Reference Item(s).

Where the relevant Final Terms specify one or more Reference Item(s), the relevant Reference Item-Linked Notes will represent an investment linked to the economic performance of such Reference Item(s) and prospective investors should note that the return (if any) on their investment in Reference Item-Linked Notes will depend upon the performance of such Reference Item(s). Potential investors should also note that whilst the market value of such Reference Item-Linked Notes is linked to such Reference Item(s) and will be influenced (positively or negatively) by such Reference Item(s), any change may not be comparable and may be disproportionate. It is impossible to predict how the level of the relevant Reference Item(s) will vary over time. In contrast to a direct investment in the relevant Reference Item(s), Reference Item-Linked Notes represent the right to receive payment or delivery, as the case may be, of the relevant cash amount and/or asset amount on the relevant Maturity Date as well as periodic payments of interest (if specified in the relevant Final Terms), all or some of which may be determined by reference to the performance of the relevant Reference Item(s). The relevant Final Terms will set out the provisions for the determination of any cash amount and/or asset amount and of any periodic interest payments.

PROSPECTIVE INVESTORS MUST REVIEW THE RELEVANT FINAL TERMS TO ASCERTAIN WHAT THE RELEVANT REFERENCE ITEM(S) ARE AND TO SEE HOW BOTH ANY CASH AMOUNTS AND/OR ASSET AMOUNTS ARE PAYABLE OR DELIVERABLE AND HOW ANY PERIODIC INTEREST PAYMENTS ARE DETERMINED AND WHEN ANY SUCH AMOUNTS ARE PAYABLE AND/OR DELIVERABLE, AS THE CASE MAY BE, BEFORE MAKING ANY DECISION TO PURCHASE ANY REFERENCE ITEM-LINKED NOTES.

Fluctuations in the value and/or volatility of the relevant Reference Item(s) may affect the value of the relevant Reference Item-Linked Notes. Investors in Reference Item-Linked Notes may risk losing their entire investment if the value of the relevant Reference Item(s) does not move in the anticipated direction.

There is no return on Reference Item-Linked Notes other than the potential payment or delivery, as the case may be, of the relevant cash amount and/or asset amount on the Maturity Date and payment of any periodic interest payments.

Other factors which may influence the market value of Reference Item-Linked Notes include interest rates, potential dividend or interest payments (as applicable) in respect of the relevant Reference Item(s), changes in the method of calculating the level of the relevant Reference Item(s) from time to time and market expectations regarding the future performance of the relevant Reference Item(s), its composition and such Reference Item-Linked Notes.

If any of the relevant Reference Item(s) is an index, the value of such Reference Item on any day will reflect the value of its constituents on such day. Changes in the composition of such Reference Item and factors (including those described above) which either affect or may affect the value of the constituents, will

affect the value of such Reference Item and therefore may affect the return on an investment in Reference Item-Linked Notes.

The Issuer may issue several issues of Reference Item-Linked Notes relating to particular Reference Item(s). However, no assurance can be given that the Issuer will issue any Reference Item-Linked Notes other than the Reference Item-Linked Notes to which the relevant Final Terms relate. At any given time, the number of Reference Item-Linked Notes outstanding may be substantial. Reference Item-Linked Notes provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the Reference Item(s) to which such Reference Item-Linked Notes relate.

Index-Linked Notes

The Issuer may issue Notes where the amount of principal (“**Index-Linked Redemption Notes**”) and/or interest (“**Index-Linked Interest Notes**”) payable is dependent upon the level, or changes in the level, of an index or a basket of indices (together “**Index-Linked Notes**”).

Potential investors in any such Notes should be aware that, depending on the terms of the Index-Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest may occur at a different time than expected and (iii) they may lose all or a substantial portion of their principal investment. In addition, movements in the level of the index or basket of indices may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant level of the index or indices may affect the actual yield to investors, even if the average level is consistent with their expectations.

If the amount of principal and/or interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the level of the index or the indices on principal and/or interest payable will be magnified.

The Calculation Agent may determine that an event giving rise to a Disrupted Day (as defined in “Terms and Conditions of the Notes”) has occurred at any relevant time. Any such determination may have an effect on the timing of valuation and consequently the value of the Notes and/or may delay (i) any applicable interest payments, in the case of Index-Linked Interest Notes, or (ii) settlement, in the case of Index-Linked Redemption Notes. Prospective purchasers should review the “Terms and Conditions of the Notes” and the relevant Final Terms to ascertain whether and how such provisions apply to the Notes.

If an Index Adjustment Event (being, in summary, a material change in the formula for or the method of calculating a relevant index, any other material modification of the relevant index, a cancellation of the relevant index or a failure to calculate and announce a relevant index) occurs, prospective purchasers should note that, at the Issuer's option, the Notes may be subject to adjustment, the relevant index may be substituted by a replacement index or the Issuer may redeem the Notes early at the Early Redemption Amount specified in the relevant Final Terms together with, if so specified in the relevant Final Terms, accrued interest.

The market price of such Notes may be volatile and may be affected by the time remaining to the redemption date and the volatility of the level of the index or indices. The level of the index or indices may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which any securities comprising the index or indices may be traded.

In relation to Index-Linked Notes which are linked to a Commodity Index or a basket of Commodity Indices, investors should also note the final paragraph under the heading “Commodity-Linked Notes” below.

Equity-Linked Notes

The Issuer may issue Notes where the amount of principal (“**Equity-Linked Redemption Notes**”) and/or interest (“**Equity-Linked Interest Notes**”) payable is dependent upon the price of or changes in the price of an equity security or a basket of equity securities or where, depending on the price of or change in the price of an equity security or a basket of equity securities, on redemption the Issuer’s obligation is to deliver specified assets (together “**Equity-Linked Notes**”).

Potential investors in any such Notes should be aware that, depending on the terms of the Equity-Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest or delivery of any specified assets may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment. In addition, movements in the price of the equity security or basket of equity securities may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or indices and the timing of changes in the relevant price of the equity security or equity securities may affect the actual yield to investors, even if the average price is consistent with their expectations.

If the amount of principal and/or interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of the equity security or equity securities on principal and/or interest payable will be magnified.

The Calculation Agent may determine that an event giving rise to a Disrupted Day (as defined in the “Terms and Conditions of the Notes”) has occurred at any relevant time. Any such determination may have an effect on the timing of valuation and consequently the value of the Notes and/or may delay (i) any applicable interest payments, in the case of Equity-Linked Interest Notes, or (ii) settlement in the case of Equity-Linked Redemption Notes. Prospective purchasers should review the “Terms and Conditions of the Notes” and the relevant Final Terms to ascertain whether and how such provisions apply to the Notes.

If “Potential Adjustment Events” (being, in summary, certain corporate events which may have a diluting, concentrative or other effect on the theoretical value of the relevant equity securities) and/or “Extraordinary Events” (being, in summary, a de-listing, a merger event, a tender offer, a nationalisation or an insolvency, in each case, affecting the relevant equity securities) are specified as applying in the relevant Final Terms, prospective purchasers should note that the Notes may be subject to adjustment or, if “Extraordinary Events” are specified as applying in the relevant Final Terms, the Issuer may redeem the Notes early at the Early Redemption Amount specified in the relevant Final Terms together with, if so specified in the relevant Final Terms, accrued interest.

In respect of Equity-Linked Notes relating to an equity security or equity securities originally quoted, listed and/or dealt as of the Trade Date in a currency of a member state of the European Union that has not adopted the single currency in accordance with the Treaty on the functioning of the European Union, as amended, if such equity security or equity securities is/are at any time after the Trade Date quoted, listed and/or dealt exclusively in euro on the relevant Exchange, prospective purchasers should note that the Calculation Agent will adjust any one or more of the relevant Interest Amount and/or the Equity-Linked Redemption Amount and/or the Asset Amount and/or the Strike Price and/or the Multiplier and/or any of the other terms of the “Terms and Conditions of the Notes” and/or the relevant Final Terms as the Calculation Agent determines to be appropriate to preserve the economic terms of the Notes. Prospective purchasers should also note that the Calculation Agent will make any conversion necessary for the purposes of any such adjustment as of the relevant Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the relevant Valuation Time.

Where the Notes provide for Physical Delivery, the Calculation Agent may determine that a Settlement Disruption Event is subsisting and/or where “Failure to Deliver due to Illiquidity” is specified as applying in the relevant Final Terms, that it is impossible or impracticable to deliver when due some or all of the assets due to be delivered due to illiquidity in the relevant market. A Settlement Disruption Event is an

event beyond the control of the Issuer, as a result of which, in the opinion of the Calculation Agent, delivery of the specified assets to be delivered by or on behalf of the Issuer in accordance with the “Terms and Conditions of the Notes” and/or the relevant Final Terms, is not practicable. Any such determination may affect the value of the Notes and/or may delay settlement in respect of the Notes.

The market price of such Notes may be volatile and may be affected by the time remaining to the redemption date, the volatility of the equity security or equity securities, the dividend rate (if any) and the financial results and prospects of the issuer or issuers of the relevant equity security or equity securities as well as economic, financial and political events in one or more jurisdictions, including factors affecting the stock exchange(s) or quotation system(s) on which any such securities may be traded.

Additional Disruption Events (Index-Linked Notes and Equity-Linked Notes only, subject as provided below)

If “Additional Disruption Event” (being, among other things, certain disruption events affecting the hedging activities of the Issuer and/or any of its Affiliates and/or any Hedging Party) are specified as applying in the relevant Final Terms, the Notes will be subject to adjustment or may be redeemed upon the occurrence of any of the Additional Disruption Events specified as applying in the relevant Final Terms.

Currency-Linked Notes

The Issuer may issue Notes where the amount of principal (“**Currency-Linked Redemption Notes**”) and/or interest (“**Currency-Linked Interest Notes**”) payable is dependent upon movements in currency exchange rates or are payable in one or more currencies which may be different from the currency in which the Notes are denominated (together “**Currency-Linked Notes**”).

Potential investors in any such Notes should be aware that, depending on the terms of the Currency-Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest may occur at a different time or in a different currency than expected and (iii) they may lose all or a substantial portion of their investment. In addition, movements in currency exchange rates may be subject to significant fluctuations that may not correlate with changes in interest rates or other indices and the timing of changes in the exchange rates may affect the actual yield to investors, even if the average level is consistent with their expectations.

If the amount of principal and/or interest payable is dependent upon movements in currency exchange rates and is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the currency exchange rates on principal or interest payable will be magnified.

The market price of such Notes may be volatile and, if the amount of principal and/or interest payable is dependent upon movements in currency exchange rates, may depend upon the time remaining to the redemption date and the volatility of currency exchange rates. Movements in currency exchange rates may be dependent upon economic, financial and political events in one or more jurisdictions.

Inflation-Linked Notes

The Issuer may issue Notes where the amount of principal (“**Inflation-Linked Redemption Notes**”) and/or interest (“**Inflation-Linked Interest Notes**”) payable is dependent upon the level, or changes in the level, of an inflation index or a basket of inflation indices (together “**Inflation-Linked Notes**”).

Potential investors in any such Notes should be aware that, depending on the terms of the Inflation-Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest may occur at a different time than expected and (iii) they may lose all or a substantial portion of their principal investment. In addition, movements in the level of the inflation index or basket of inflation indices may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or

other indices and the timing of changes in the relevant level of the inflation index or inflation indices may affect the actual yield to investors, even if the average level is consistent with their expectations.

If the amount of principal and/or interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the level of the inflation index or the inflation indices on principal and/or interest payable will be magnified.

Many economic and market factors may influence the value of Inflation Linked Notes including, inter alia, general economic, financial, political or regulatory conditions, fluctuations in the prices of various consumer goods and energy resources and inflation and expectations concerning inflation. Any such factors may either offset or magnify each other.

If the Calculation Agent determines that the level of a relevant inflation index has not been published or announced by a specified Relevant Determination Date, then a Substituted Index Level for the relevant inflation index will be determined by reference either to the terms of any specified Related Bond or by reference to a formula as set out in the Conditions or as specified in the relevant Final Terms, as the case may be.

If the Calculation Agent determines that the level of an inflation index has not been published or announced by an Index Sponsor for two consecutive months or such other period as is specified in the relevant Final Terms and/or an Index Sponsor announces that it will no longer continue to publish or announce such inflation index, the Calculation Agent shall either (i) determine a Successor Index pursuant to the terms of any specified Related Bond or (ii) designate a “Successor Index” as the replacement inflation index specified by the relevant Index Sponsor or (iii) if no successor inflation index can be determined by reference to (i) or (ii) the Calculation Agent may determine the relevant Successor Index. In each case, the Calculation Agent may make such adjustment(s) to the terms of the Notes it deems necessary or appropriate to account for any such replacement. If the Calculation Agent determines that there is no appropriate alternative inflation index, the Issuer may redeem the Notes early at the Early Redemption Amount.

If the Calculation Agent determines that an inflation index has been or will be rebased at any time, it may make such adjustments to the levels of such inflation index (following the terms of any specified Related Bond, where there is a Related Bond) so that such levels reflect the same rate of inflation as the inflation index before it was rebased and may make such adjustments to the terms of the Notes as it deems necessary.

If on or prior to a specified Relevant Determination Date, an Index Sponsor announces that it will make a material change to an inflation index, the Calculation Agent shall make appropriate adjustments to the terms of the Notes (consistent with any adjustments made to any Related Bond, where there is a Related Bond) to account for such change.

Commodity-Linked Notes

The Issuer may issue Notes where the amount of principal (“**Commodity-Linked Redemption Notes**”) and/or interest (“**Commodity-Linked Interest Notes**”) payable is dependent upon the level or price, or changes in the level or price, of a commodity or a basket of commodities (together “**Commodity-Linked Notes**”).

Potential investors in any such Notes should be aware that, depending on the terms of the Commodity Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest may occur at a different time than expected and (iii) they may lose all or a substantial portion of their principal investment. In addition, movements in the level or price of the commodity or basket of commodities may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or indices and the timing of changes in the relevant level or price of the commodity or

commodities may affect the actual yield to investors, even if the average level or price is consistent with their expectations.

If the amount of principal and/or interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the level or price of the commodity or the commodities on principal and/or interest payable will be magnified.

The Calculation Agent may determine that a Market Disruption Event (being, in summary, any of a price source disruption, a trading disruption, a disappearance of a commodity reference price or a material change in formula or content of a commodity or any other event, in each case, which is specified as applying in the relevant Final Terms or which is deemed to apply) has occurred or exists at any relevant time. Any such determination may (i) have an effect on the timing of valuation and consequently the value of the Notes and/or may delay (a) any applicable interest payments, in the case of Commodity-Linked Interest Notes, or (b) settlement in the case of Commodity-Linked Redemption Notes or (ii) may result in the Issuer redeeming the Notes at the Early Redemption Amount specified in the relevant Final Terms together with, if so specified in the relevant Final Terms, accrued interest. Prospective purchasers should review the “Terms and Conditions of the Notes” and the relevant Final Terms to ascertain whether and how such provisions apply to the Notes.

Where the Notes are Commodity-Linked Notes and Condition 12.F.4 is specified as applicable in the relevant Final Terms, the provisions relating to Index Adjustment Events and/or Additional Disruption Events (as specified in the relevant Final Terms and as described above) will also apply to the Notes.

Investors in Commodity-Linked Notes should note that commodity futures markets are highly volatile. Commodity markets are influenced by, among other things, changing supply and demand relationships, weather, governmental, agricultural, commercial and trade programmes and policies designed to influence commodity levels or prices, world political and economic events, and changes in interest rates. Moreover, certain commodities may be priced by reference to futures and options contracts on the relevant commodity and investors should note that investments in futures and options contracts involve additional risks including, without limitation, leverage (margin is usually a percentage of the face value of the contract and exposure can be nearly unlimited). A holder of a futures position may find that such position becomes illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits”. Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a holder from promptly liquidating unfavourable positions and subject it to substantial losses. Futures contract prices in various commodities occasionally have exceeded the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the liquidation of unfavourable positions and subject an investor in a Note relating to commodities linked to such contract prices to substantial losses. The yield on Notes relating to commodities may not perfectly correlate to the trend in the price of the underlying commodities as the use of such future commodity contracts generally involves a rolling mechanism. This means that the commodity futures contracts which expire prior to the relevant payment date under the relevant Notes are replaced with future commodity contracts that have a later expiry date. Investors may therefore only marginally benefit from any rise/fall in prices on such commodities. Investors should also consider that the relevant commodity futures contracts could have a trend which differs significantly from that of the commodity spot markets. The trend in the price of a commodity futures contract compared to the underlying commodity is closely linked to the present and future level of the production of the underlying commodity or to the level of estimated natural reserves, particularly in the case of energy commodities. In addition, the price of the relevant commodity futures contract may not be considered an accurate prediction of a market price, since it also includes the so-called “carrying costs” (such as, for example, warehouse costs, insurance covering the goods, transportation etc.), which also contribute toward the determination of the price of the commodity futures contracts. The above factors which directly

influence the commodities prices substantially explain the imperfect correlation between the commodity spot markets and the commodity futures contracts.

Illegality

In the event that the Calculation Agent determines in good faith that the performance of the Issuer's obligations under a Series of Notes or that any arrangements made to hedge the Issuer's obligations under such Notes has or will become unlawful, illegal or otherwise prohibited in whole or in part, the Issuer may, having given notice to the Holders, redeem all, but not some only, of the Notes of such Series and, to the extent permitted by applicable law, will pay to each Noteholder in respect of each Calculation Amount held by such holder, an amount equal to the fair market value of such Calculation Amount on the date of redemption, adjusted to account fully for any losses, expenses and costs to the Issuer (or any of its Affiliates) of unwinding any underlying or related hedging and funding arrangements, all as determined by the Calculation Agent, or such other amount determined as specified in the relevant Final Terms. Investors should note that any such amount may be zero.

Partly-paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of his investment.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as the London Interbank Offered Rate (LIBOR). The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Capped Floating Rate Notes

Capped Floating Rate Notes usually have an interest rate equal to the sum of a reference rate such as LIBOR and the specified margin (if any) subject to a maximum specified rate. The maximum amount of interest payable in respect of these Notes will occur when the sum of the reference rate and the specified margin (if any) equals the maximum specified rate. Investors in Capped Floating Rate Notes will therefore not benefit from any increase in the relevant reference rate which, when the specified margin is added to such reference rate, would otherwise cause such interest rate to be exceed the maximum specified rate. The market value of these Notes would therefore typically fall the closer the sum of the relevant reference rate and the margin is to the maximum specified rate.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable

than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

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

Covered Bonds

The Issuer has issued covered bonds in accordance with the Danish Financial Business Act.

In accordance with the UCITS Directive and the Capital Requirement Directive, the covered bonds have the benefit of priority over a matched pool of assets upon bankruptcy of the Issuer. To the extent that claims in relation to the covered bonds and related derivative contracts, any refinancing bonds issued by the administrator, any short-term loans taken out by the administrator and any senior debt (if any) issued with the benefit of the assets in the cover pool are not met out of the pool of assets or the proceeds arising from it, the residual claims will rank *pari passu* with the unsecured and unsubordinated obligations of the Issuer, including obligations in relation to Notes issued under the Programme.

General risks related to a particular issue of Notes

No Claim against any Reference Item

A Note will not represent a claim against any Reference Item and, in the event that the amount paid on redemption of the Notes is less than the nominal amount of the Notes, a Noteholder will not have recourse under a Note to any Reference Item.

An investment in Notes linked to one or more Reference Items may entail significant risks not associated with investments in conventional debt securities, including but not limited to the risks set out in this section “Risks related to the structure of a particular issues of Notes”. The amount paid or value of the specified assets delivered by the Issuer on redemption of such Notes may be less than the principal amount of the Notes, together with any accrued interest, and may in certain circumstances be zero.

Hedging

In the ordinary course of its business, including without limitation in connection with its market making activities, the Issuer and/or any of its affiliates may effect transactions for its own account or for the account of its customers and hold long or short positions in the Reference Item(s) or related derivatives. In addition, in connection with the offering of the Notes, the Issuer and/or any of its affiliates may enter into one or more hedging transactions with respect to the Reference Item(s) or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and/or any of its affiliates, the Issuer and/or any of its affiliates may enter into transactions in the Reference Item(s) or related derivatives which may affect the market price, liquidity or value of the Notes and which could be adverse to the interests of the relevant Noteholders.

Conflicts of Interest

Where the Issuer acts as Calculation Agent or the Calculation Agent is an affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent and Noteholders, including with respect to certain determinations and judgements that the Calculation Agent may make pursuant to the Notes that may influence the amount receivable or specified assets deliverable on redemption of the Notes.

The Issuer and any Dealer may at the date hereof or at any time hereafter, be in possession of information in relation to a Reference Item that is or may be material in the context of the Notes and may or may not be publicly available to Noteholders. There is no obligation on the Issuer or any Dealer to disclose to Noteholders any such information.

The Issuer and/or any of its affiliates may have existing or future business relationships with any Reference Item(s) (including, but not limited to, lending, depositary, risk management, advisory and banking relationships), and will pursue actions and take steps that they or it deems necessary or appropriate to protect their and/or its interests arising therefrom without regard to the consequences for a Noteholder.

Risks related to Notes generally

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on the clearing system procedures for transfer, payment and communication with the Issuer.

Bearer Notes issued under the Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary or, in the case of New Global Notes, a common safe-keeper, for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive Definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are in global form, the Issuer will discharge its payment obligations under the Notes by making payments (i) to a common depositary (for Bearer Notes which are not in New Global Note form) or (ii) to a common safe-keeper (for Bearer Notes which are in New Global Note form). A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and/or Clearstream, Luxembourg to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in such a Global Note.

Because the VP Systems Notes are dematerialised securities, investors will have to rely on the clearing system procedures for transfer, payment and communication with the Issuer.

VP Systems Notes issued under the Programme will not be evidenced by any physical note or document of title other than statements of account made by the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be. Ownership of VP Systems Notes will be recorded and transfer effected only through the book entry system and register maintained by the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be.

Modification and waiver

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

Change of law

The Terms and Conditions of the Notes are governed by the laws of England, except for certain provisions set out in Condition 21 (*Governing Law and Jurisdiction*), which will be governed by the laws of Denmark, Norway, Finland or Sweden, as the case may be. No assurance can be given as to the impact of any possible judicial decision or change to the laws of England, Denmark, Norway or Sweden or administrative practice after the date of this Base Prospectus.

Bearer Notes where denominations involve integral multiples: Definitive Notes

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

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

New Global Notes

Although the New Global Note form has been introduced to allow for the possibility of Bearer Notes being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for Eurosystem and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life, in any particular case such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time.

No taxation gross-up on certain issues of Notes

If Condition 10.3 (*No gross-up*) is specified as applicable in the relevant Final Terms, the Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

Taxation and expenses

Potential purchasers and sellers of Notes should be aware that they may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Notes are transferred and/or any relevant assets are delivered.

Potential purchasers who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential purchasers should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

If “Physical Delivery” is specified in the relevant Final Terms as applying in relation to any Equity-Linked Notes, all Delivery Expenses arising from the delivery of the Reference Item(s) in respect of such Equity-Linked Note shall be for the account of the relevant Noteholder and no delivery of the Reference Item(s) shall be made until all Delivery Expenses have been paid to the satisfaction of the Issuer by the relevant Noteholder.

U.S. Foreign Account Tax Compliance Withholding

The Issuer and other financial institutions through which payments on the Notes are made may be required to withhold U.S. tax at a rate of 30 per cent. on all, or a portion of, payments made after 31 December 2016 in respect of (i) any Notes treated as debt for U.S. federal tax purposes that are issued after 31 December 2012 or are materially modified from that date and (ii) any Notes treated as equity for U.S. federal tax purposes, whenever issued, pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code (“**FATCA**”) or similar law implementing an intergovernmental approach to FATCA. This withholding tax may apply to an investor or to any non-U.S. financial institution through which payment on the Notes is made if that investor or financial institution is not in compliance with FATCA. Noteholders therefore may, if FATCA is implemented as currently proposed by the IRS, receive less interest or principal than expected.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on proposed regulations and official guidance that is subject to change. The application of FATCA to Notes issued after 31 December 2012 (or whenever issued, in the case of Notes treated as equity for U.S. federal tax purposes) may be addressed in the relevant Final Terms or a Supplement to the Base Prospectus, as applicable.

DOCUMENTS INCORPORATED BY REFERENCE

The Annual Reports of the Issuer for the financial years ended 31 December 2011 and 31 December 2010 and the Interim Report – First Quarter 2012 of the Issuer for the first quarter period ended 31 March 2012 shall be deemed to be incorporated in, and to form part of, this Base Prospectus. The financial statements in such Annual Reports have been audited.

The Issuer has undertaken, in connection with the listing of the Notes on the Official List and the trading of the Notes on the regulated market of the Luxembourg Stock Exchange, that if, while Notes of the Issuer are outstanding and listed on the Official List and traded on the regulated market of the Luxembourg Stock Exchange, there shall occur any change in the Terms and Conditions of the Programme or if any significant new factor, material mistake or inaccuracy relating to the information included in this Base Prospectus which is capable of affecting the assessment of the Notes arises or is noted between the time when this Base Prospectus is approved by the CSSF and the time when trading of a particular Tranche (as defined herein) of Notes begins and which is not reflected in this Base Prospectus (or any of the documents incorporated by reference in this Base Prospectus), the Issuer will prepare or procure the preparation of a supplement to this Base Prospectus or, as the case may be, publish a new Base Prospectus for use in connection with any subsequent offering by the Issuer of Notes to be listed on the Official List and traded on the regulated market of the Luxembourg Stock Exchange.

The sources of the consolidated financial statements (including auditors' reports thereon and notes thereto) in the Annual Reports of the Issuer incorporated by reference herein are as follows:

| <i>Information</i> | <i>Source</i> |
|--|---------------------------------|
| Consolidated Income Statement for the Group for the year ended 31 December 2011 | 2011 Annual Report pg. 60 |
| Consolidated Statement of Comprehensive Income for the Group for the year ended 31 December 2011 | 2011 Annual Report pg. 61 |
| Consolidated Balance Sheet for the Group for the year ended 31 December 2011 | 2011 Annual Report pg. 62 |
| Consolidated Statement of Capital for the Group for the year ended 31 December 2011 | 2011 Annual Report pgs. 63-65 |
| Consolidated Cash Flow Statement for the Group for the year ended 31 December 2011 | 2011 Annual Report pg. 66 |
| Notes to the Consolidated Financial Statements for the year ended 31 December 2011 | 2011 Annual Report pgs. 67-161 |
| Auditors' Reports for the Group for the year ended 31 December 2011 | 2011 Annual Report pgs. 184-185 |
| Consolidated Income Statement for the Group for the year ended 31 December 2010 | 2010 Annual Report pg. 50 |
| Consolidated Statement of Comprehensive Income for the Group for the year ended 31 December 2010 | 2010 Annual Report pg. 51 |
| Consolidated Balance Sheet for the Group for the year ended 31 | 2010 Annual Report pg. 52 |

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| December 2010 | |
| Consolidated Statement of Capital for the Group for the year ended 31 December 2010 | 2010 Annual Report pgs. 53-55 |
| Consolidated Cash Flow Statement for the Group for the year ended 31 December 2010 | 2010 Annual Report pg. 56 |
| Notes to the Consolidated Financial Statements for the year ended 31 December 2010 | 2010 Annual Report pgs. 57-143 |
| Auditors' Reports for the Group for the year ended 31 December 2010 | 2010 Annual Report pgs. 163-164 |

The sources of the consolidated financial statements (including auditors' review report thereon and notes thereto) in the Interim Report – First Quarter 2012 of the Issuer for the first quarter period ended 31 March 2012 incorporated by reference herein are as follows:

| <i>Information</i> | <i>Source</i> |
|--|---|
| Unaudited Consolidated Income Statement for the Group for the first quarter ended 31 March 2012 | Interim Report – First Quarter 2012 pg. 22 |
| Unaudited Consolidated Statement of Comprehensive Income for the Group for the first quarter ended 31 March 2012 | Interim Report – First Quarter 2012 pg. 23 |
| Unaudited Consolidated Balance Sheet for the Group for the first quarter ended 31 March 2012 | Interim Report – First Quarter 2012 pg. 24 |
| Unaudited Consolidated Statement of Capital for the Group for the first quarter ended 31 March 2012 | Interim Report – First Quarter 2012 pgs. 25-26 |
| Unaudited Consolidated Cash Flow Statement for the Group for the first quarter ended 31 March 2012 | Interim Report – First Quarter 2012 pg. 27 |
| Notes to the Consolidated Financial Statements for the first quarter ended 31 March 2012 | Interim Report – First Quarter 2012 pgs. 28-47 |
| Auditors' Review Reports for the Group for the first quarter ended 31 March 2012 | Interim Report – First Quarter 2012 pgs. 49-50 |

The Annual Reports and the Interim Report – First Quarter 2012 of the Issuer incorporated by reference herein can be viewed online at www.danskebank.com. This Base Prospectus, including the documents incorporated by reference herein, is available for viewing at www.bourse.lu. Any information not listed in the cross-reference list but included in the documents incorporated by reference is given for information purposes only.

GENERAL DESCRIPTION OF THE PROGRAMME

The following description of key features of the Programme does not purport to be complete and is qualified in its entirety by the remainder of this Base Prospectus. Words and expressions defined in “Overview of Form of the Notes” or “Terms and Conditions of the Notes” below shall have the same meanings in this description of key features of the Programme.

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| Issuer: | Danske Bank A/S. |
| Arranger: | Danske Bank A/S. |
| Dealer: | Danske Bank A/S and any other dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes. |
| Fiscal Agent: | Citibank, N.A., London Branch. |
| Luxembourg Listing Agent: | Banque Internationale à Luxembourg, <i>société anonyme</i> |
| VP Systems Agent: | (i) In respect of VP Systems Notes cleared through the VP, VPS or Euroclear Sweden, Danske Bank A/S. (ii) In respect of VP Systems Notes cleared through Euroclear Finland, Sampo Bank plc. |
| Listing and Admission to Trading: | Each Series may be listed on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange and/or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system as may be agreed between the Issuer and the relevant Dealer and specified in the relevant Final Terms or may be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system. |
| Initial Programme Amount: | EUR 5,000,000,000 (and, for this purpose, any Notes denominated in another currency shall be translated into euros at the date of the agreement to issue such Notes using the spot rate of exchange for the purchase of such currency against payment of euros being quoted by the Fiscal Agent on the date on which an agreement in respect of the relevant Tranche was made or such other rate as the Issuer and the relevant Dealer may agree) in aggregate principal amount of Notes outstanding at any one time. The maximum aggregate principal amount of Notes which may be outstanding under the Programme may be increased from time to time. |
| Issuance in Series: | Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date, the amount of the first payment of interest (if any) and/or the issue price thereof may be different in respect of different Tranches. |
| Final Terms: | Each Tranche will be the subject of the Final Terms which, for the purposes of that Tranche only, completes the “Terms and Conditions of the Notes” and this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes are the “Terms and Conditions of the Notes” as completed, |

amended and/or replaced by the relevant Final Terms.

Forms of Notes:

Notes may be issued in bearer form (“**Bearer Notes**”) or in uncertificated and dematerialised book entry form cleared through the Danish, Norwegian, Finnish and/or Swedish, as the case may be, central securities depository (together the “**VP Systems Notes**” and individually the “**VP**”, “**VPS**”, “**Euroclear Finland**” and “**Euroclear Sweden**”, respectively), as described in “Overview of Form of the Notes” below.

In respect of each Tranche of Bearer Notes, the Issuer will deliver a Temporary Global Note or (if so specified in the relevant Final Terms in respect of Notes to which the TEFRA C Rules apply (as so specified in such Final Terms)) a Permanent Global Note. Such Global Note which is not intended to be issued in New Global Note form (a “**Classic Global Note**” or “**CGN**”), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date therefor with Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Global Note which is intended to be issued in New Global Note form (a “**New Global Note**” or “**NGN**”), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safe-keeper for Euroclear and/or Clearstream, Luxembourg. Interests in each Temporary Global Note will, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership, be exchangeable for interests in a Permanent Global Note or, if so specified in the relevant Final Terms, for Definitive Notes in bearer form in accordance with its terms. Interests in each Permanent Global Note will be exchangeable for Definitive Notes in bearer form in accordance with its terms. Definitive Notes in bearer form will, if interest-bearing, have Coupons attached and, if appropriate, Talons.

VP Systems Notes will not be evidenced by any physical note or document of title. Entitlements to VP Systems Notes will be evidenced by the crediting of VP Systems Notes to accounts with the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be.

Clearing Systems:

Euroclear, Clearstream, Luxembourg, VP, VPS, Euroclear Finland and/or Euroclear Sweden and/or, in relation to any Tranche of Notes, any other clearing system as may be specified in the relevant Final Terms.

Currencies:

Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.

Status of the Notes:

The Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and at least *pari passu* with all other unsubordinated and unsecured obligations (including liabilities in respect of deposits) of the Issuer, present and future (save for certain mandatory exceptions provided by law).

Issue Price:

Notes may be issued at any price and either on a fully or partly paid basis, as specified in the relevant Final Terms.

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| Maturities: | Any maturity or with no fixed maturity date, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements. |
| Redemption: | Notes may be redeemable at par or at such other Redemption Amount (index-linked, equity-linked, currency-linked, inflation-linked, commodity-linked or linked to another factor) as may be specified in the relevant Final Terms. Notes may also be redeemable in two or more instalments on such dates and in such manner as may be specified in the relevant Final Terms. |
| Optional Redemption: | Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the Holders to the extent (if at all) specified in the relevant Final Terms. |
| Tax Redemption: | Save where Condition 10.3 (<i>No gross-up</i>) is specified as applicable in the relevant Final Terms, early redemption will be permitted for tax reasons as described in Condition 8.2 (<i>Early Redemption following a Tax Event</i>). |
| Interest: | Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate, a floating rate or other variable rate or be index-linked, equity-linked, currency-linked, inflation-linked, commodity-linked or linked to another factor and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series. |
| Denominations: | The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency and save that the minimum denomination of each Note 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 would otherwise require the publication of a prospectus under the Prospectus Directive will be EUR 1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency). |
| Negative Pledge: | None. |
| Cross Default: | None. |
| Taxation: | If Condition 10.1 (<i>Gross-up</i>) is specified as applicable in the relevant Final Terms, all payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Denmark or any political subdivision therein or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Holders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required. |

If Condition 10.3 (*No gross-up*) is specified as applicable in the relevant Final Terms, the Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or enforcement of any Note and all payments made by the Issuer shall be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

Governing Law:

The Notes shall be governed by, and shall be construed in accordance with, English law except for the registration of Notes in the VP, which shall be governed by, and shall be construed in accordance with, Danish law, the registration of Notes in the VPS, which shall be governed by, and shall be construed in accordance with, Norwegian law, the registration of Notes in Euroclear Finland, which shall be governed by, and shall be construed in accordance with, Finnish law and the registration of Notes in the Euroclear Sweden, which shall be governed by, and shall be construed in accordance with, Swedish law.

VP Systems Notes must comply with the relevant regulations of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, and the holders of VP Systems Notes will be entitled to the rights and are subject to the obligations and liabilities which arise under the relevant Danish, Norwegian, Finnish or Swedish regulations and legislation.

Enforcement of Notes in Global Form:

In the case of Global Notes, individual investors' rights against the Issuer will be governed by a Deed of Covenant dated 22 June 2012, a copy of which will be available for inspection at the specified office of the Fiscal Agent.

Ratings:

Tranches of Notes to be issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, the rating (which may be an expected rating) will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a Series of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the relevant Final Terms. There is no guarantee that any of the rating(s) of any Series of Notes will be maintained following the date of the relevant Final Terms. Up-to-date information should always be sought by direct reference to the relevant rating agency. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Selling Restrictions:

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the European Economic Area, the United Kingdom, Japan Denmark, Finland and Sweden see "Subscription and Sale" below.

OVERVIEW OF FORM OF THE NOTES

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

The Notes of each Series will be in bearer form or, in the case of VP Systems Notes, uncertificated and dematerialised book entry form.

Form of Bearer Notes

Each Tranche of Bearer Notes will initially be in the form of either a temporary global note (the “**Temporary Global Note**”), without interest Coupons, or a permanent global note (the “**Permanent Global Note**”), without interest Coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a “**Global Note**”) which is intended to be issued in CGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depository or a common depository for Euroclear and Clearstream, Luxembourg and each Global Note which is intended to be issued in NGN form as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safe-keeper for Euroclear and/or Clearstream, Luxembourg.

The relevant Final Terms will also specify whether United States Treasury Regulation §1.1635(c)(2)(i)(C) (the “**TEFRA C Rules**”) or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the “**TEFRA D Rules**”) are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Final Terms specifies the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note”, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than forty days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership.

No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Note, duly authenticated and, in the case of a NGN, effectuated, to the bearer of the Temporary Global Note or (in the case of any subsequent exchange of a part of the Temporary Global Note) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and
- (ii) in either case, receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership,

within seven days of the bearer requesting such exchange.

The principal amount of the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership; provided, however, that in no

circumstances shall the principal amount of the Permanent Global Note exceed the initial principal amount of the Temporary Global Note.

Temporary Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Notes in definitive form ("**Definitive Notes**") not earlier than forty days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within thirty days of the bearer requesting such exchange.

Permanent Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being “Permanent Global Note exchangeable for Definitive Notes”, then the Notes will initially be in the form of a Permanent Global Note. If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes", then the Notes will be initially in the form of a Temporary Global Note which will be exchangeable for a Permanent Global Note as set out above. In each case, the Permanent Global Note will be exchangeable, in whole but not in part only and at the request of the bearer of the Permanent Global Note, for Definitive Notes:

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms; or
- (ii) at any time, if so specified in the relevant Final Terms, save that this paragraph (ii) shall not apply if the relevant Final Terms specify denominations consisting of a minimum Specified Denomination plus one or more integral multiples of another smaller amount; or
- (iii) if the relevant Final Terms specifies “in the limited circumstances described in the Permanent Global Note”, then if:
 - (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of fourteen days (other than by reason of legal holidays) or announces an intention permanently to cease business or in fact does so; or
 - (b) any of the circumstances described in Condition 11 (*Events of Default*) occurs.

The Permanent Global Note will become exchangeable, in whole but not in part only and at the request of the Issuer, for Definitive Notes if, by reason of any change in the laws of Denmark, the Issuer will be required to make any withholding or deduction from any payment in respect of the Notes which would not be required if the Notes are in definitive form.

Interest-bearing Definitive Notes will have attached thereto at the time of their initial delivery Coupons. Interest-bearing Definitive Notes, if so specified in the relevant Final Terms, will have attached thereto at the time of their initial delivery, Talons for further coupons and the expression Coupons shall, where the context so requires, include Talons.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within thirty days of the bearer requesting such exchange.

The Permanent Global Note also provides, *inter alia*, that:

- (i) if Definitive Notes have not been delivered in accordance with the terms of the Permanent Global Note by 6.00 p.m. (London time) on the thirtieth day after the day on which such Permanent Global Note becomes due to be exchanged; or
- (ii) if the Permanent Global Note (or any part thereof) becomes due and payable in accordance with the Terms and Conditions or the date for final redemption of the Permanent Global Note has occurred, and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made on the due date for payment by 6.00 p.m. (London time) on such due date,

then such Permanent Global Note will become void in accordance with its terms but without prejudice to the rights conferred by the Deed of Covenant.

Legend concerning United States persons

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Global Notes, the Definitive Notes and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

The sections referred to in such legend provide that a United States person who holds a Bearer Note, Coupon or Talon will generally not be allowed to deduct any loss realised on the sale, exchange or redemption of such Note, Coupon or Talon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

Form of VP Systems Notes

Each Tranche of VP Systems Notes will be issued in uncertificated and dematerialised book entry form. Legal title to the VP Systems Notes will be evidenced by book entries in the records of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be. Issues of VP Systems Notes are the subject of the VP Systems Agency Agreement. On the issue of such VP Systems Notes, the Issuer will send a copy of the relevant Final Terms to the Fiscal Agent, with a copy sent to the relevant VP Systems Agent. On delivery of the relevant Final Terms by the relevant VP Systems Agent to the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, and notification to the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, of the subscribers and their VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, account details by the relevant Dealer, the VP Systems Agent, acting on behalf of the Issuer, will give instructions to the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, to credit each subscribing account holder with the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, with a nominal amount of the relevant VP Systems Notes equal to the nominal amount thereof for which it has subscribed and paid.

Settlement of sale and purchase transactions in respect of VP Systems Notes in the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, will take place in accordance with market

practice at the time of the transaction. Transfers of interests in the relevant VP Systems Notes will take place in accordance with the rules and procedures for the time being of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be.

The Terms and Conditions applicable to any VP Systems Notes will consist of the Terms and Conditions set out under “Terms and Conditions of the Notes” below and the provisions of the relevant Final Terms which complete, amend and/or replace those Terms and Conditions.

Clearing Systems

Any reference herein to Euroclear and/or Clearstream, Luxembourg and/or the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Fiscal Agent, the other Paying Agents and the relevant Noteholders.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the Terms and Conditions of the Notes which, as completed, amended and/or replaced by the relevant Final Terms, will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The following is also the text of the Terms and Conditions of the Notes which, as completed, amended and/or replaced by the relevant Final Terms, will be applicable to each VP Systems Note. VP Systems Notes will not be evidenced by any physical note or document of title other than statements of account made by the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be. Ownership of VP Systems Notes will be recorded and transfer effected only through the book entry system and register maintained by the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be.

1. Introduction

- 1.1. *Programme:* Danske Bank A/S (the “**Issuer**”) has established a Structured Note Programme (the “**Programme**”) for the issuance of up to EUR 5,000,000,000 in aggregate principal amount of notes (the “**Notes**”). References herein to the “**Notes**” shall be references to the Notes of this Series (as defined below) and shall mean, as the context requires:
- (i) in relation to any Bearer Notes represented by a global Note (a “**Global Note**”), units of each Specified Denomination in the Specified Currency;
 - (ii) any Global Note;
 - (iii) in the case of any Bearer Notes, definitive Bearer Notes issued in exchange for a Global Note in bearer form; and
 - (iv) VP Systems Notes.
- 1.2. *Final Terms:* Notes are issued in series (each a “**Series**”) and each Series may comprise one or more tranches (each a “**Tranche**”) of Notes. Each Tranche is the subject of a final terms document (the “**Final Terms**”) which completes these Terms and Conditions (the “**Conditions**”). The Terms and Conditions applicable to any particular Tranche of Notes are these Conditions as completed, amended and/or replaced by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.
- 1.3. *Issue and Paying Agency Agreement and VP Systems Agency Agreement:* The Notes are the subject of either:
- (i) in the case of Notes other than VP Systems Notes, an issue and paying agency agreement dated 22 June 2012 (as supplemented, amended and/or replaced from time to time, the “**Agency Agreement**”) between the Issuer, Citibank, N.A., London Branch as fiscal agent (the “**Fiscal Agent**”, which expression includes any successor fiscal agent appointed from time to time in connection with the Notes), the paying agents named therein (the “**Paying Agents**”, which expression shall include the Fiscal Agent and any substitute or additional paying agents appointed in accordance with the Agency Agreement) and the VP Systems Agents (as defined below); or
 - (ii) in the case of VP Systems Notes:
 - (A) an agency agreement dated 22 June 2012 (as supplemented, amended and/or replaced from time to time, the “**VP Systems Agency Agreement**”) between the

Issuer, Citibank, N.A., London Branch as Fiscal Agent in connection with the Agency Agreement, Danske Bank A/S as agent in respect of VP Systems Notes cleared through the VP, VPS and Euroclear Sweden and Sampo Bank plc as agent in respect of VP Systems Notes cleared through Euroclear Finland (Danske Bank A/S in such capacity and Sampo Bank plc each a “**VP Systems Agent**” and together the “**VP Systems Agents**”, which expression includes any successor agent appointed from time to time in connection with the relevant VP Systems Notes). The relevant VP Systems Agent will act as agent of the Issuer in respect of all dealings with the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, in respect of the relevant VP Systems Notes; and

(B) the Agency Agreement to the extent specified therein.

- 1.4. *Interest-bearing definitive Bearer Notes:* Interest-bearing definitive Bearer Notes have interest coupons (“**Coupons**”) and, if indicated in the relevant Final Terms, talons for further Coupons (“**Talons**”) attached on issue. Any reference herein to “Coupons” shall, unless the context otherwise requires, be deemed to include a reference to Talons. Global Notes and VP Systems Notes do not have Coupons or Talons attached on issue.
- 1.5. *Deed of Covenant:* The Notes (other than VP Systems Notes) have the benefit of a deed of covenant dated 22 June 2012 (as supplemented, amended and/or replaced from time to time, the “**Deed of Covenant**”).
- 1.6. *The Notes:* All subsequent references in these Conditions to “Notes” are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available for inspection by Holders during normal business hours at the Specified Office of each of the Paying Agents. In the case of a Tranche of Notes which are not admitted to listing, trading and/or quotation on any listing authority, stock exchange and/or quotation system or which are not offered in the European Economic Area in circumstances where a prospectus is required to be published under Directive 2003/71/EC as amended, copies of the Final Terms will only be available for inspection by Holders (as defined in Condition 1.7 (*Summaries*) below) or, as the case may be, Relevant Account Holders (as defined in the Deed of Covenant) in respect of, such Notes.
- 1.7. *Summaries:* Certain provisions of these Conditions are summaries of the Agency Agreement, the Deed of Covenant and/or the VP Systems Agency Agreement and are subject to their detailed provisions. The holders of the Notes (the “**Holders**” or “**Noteholders**”, which expressions shall, where appropriate and subject to Condition 3.4. (*Title to Global Notes*), be deemed to include holders of definitive Bearer Notes (as defined herein), holders of VP Systems Notes (as defined herein) and Couponholders (as defined below)) and, in the case of interest-bearing definitive Bearer Notes, the holders of the related Coupons, if any, (the “**Couponholders**”) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. Copies of the Agency Agreement and the Deed of Covenant are available for inspection by Holders during normal business hours at the Specified Office of each of the Paying Agents. Holders of VP Systems Notes are bound by, and are deemed to have notice of, all the provisions of the VP Systems Agency Agreement and copies of the VP Systems Agency Agreement are available for inspection by Holders during normal business hours at the Specified Office of the VP Systems Agents.

2. Interpretation

- 2.1. *Definitions:* In these Conditions the following expressions have the following meanings:

“**Accrual Yield**” has the meaning given in the relevant Final Terms;

“**Applicable Business Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Applicable Financial Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Bankruptcy Act**” means the Danish Bankruptcy Act (Consolidated Act No. 217 of 15 March 2011, as amended);

“**Bearer Notes**” means Notes issued in bearer form;

“**Broken Amount**” has the meaning given in the relevant Final Terms;

“**Business Day**” 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 each Applicable Business Centre and, if TARGET is an Applicable Business Centre, a TARGET Settlement Day;

“**Business Day Convention**”, in relation to any particular date, shall be as specified in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (i) “**Following Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day;
- (ii) “**Modified Following Business Day Convention**” or “**Modified Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (iii) “**Preceding Business Day Convention**” means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (iv) “**FRN Convention**”, “**Floating Rate Convention**” or “**Eurodollar Convention**” means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred provided, however, that:
 - (a) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (b) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
 - (c) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (v) “**No Adjustment**” means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

“**Calculation Agent**” means the Person specified in the relevant Final Terms as the party responsible for calculating the Redemption Amount(s) and/or the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

“**Calculation Amount**” has the meaning given in the relevant Final Terms;

“**Call Option**” has the meaning given in the relevant Final Terms;

“**Clearstream, Luxembourg**” means Clearstream Banking, société anonyme;

“**Commodity-Linked Notes**” means Notes which are Commodity-Linked Interest Notes and/or Commodity-Linked Redemption Notes, as specified in the relevant Final Terms;

“**Contractual Currency**” has the meaning given to such term in Condition 19 (*Currency Indemnity*);

“**Currency-Linked Notes**” means Notes which are Currency-Linked Interest Notes and/or Currency-Linked Redemption Notes, as specified in the relevant Final Terms;

“**Danish Financial Business Act**” means the Danish Financial Business Act (Consolidated Act No. 855 of 8 August 2011, as amended);

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (the “**Calculation Period**”), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

- (i) if “**Actual/Actual (ICMA)**” is so specified, means:
 - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (A) the actual number of days in such Regular Period and (B) the number of Regular Periods in any year; and
 - (b) where the Calculation Period is longer than one Regular Period, the sum of:
 - (i) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (A) the actual number of days in such Regular Period and (B) the number of Regular Periods in any year; and
 - (ii) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (A) the actual number of days in such Regular Period and (B) the number of Regular Periods in any year;
- (ii) if “**Actual/365**”, “**Actual/Actual**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;

- (iv) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (v) if “**30/360**” is so specified, means the number of days in the Calculation 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 Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30; and

- (vi) if “**30E/360**” or “**Eurobond Basis**” is so specified, means the number of days in the Calculation 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 Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation 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 Calculation Period, unless such number would be 31, in which case D₂ will be 30; and

- (vii) if “**30E/360 (ISDA)**” is so specified, means the number of days in the Calculation 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 Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation 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 Calculation 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.

“**DFSA**” means the Danish Financial Supervisory Authority;

“**Distribution Compliance Period**” means the period that ends 40 days after the completion of the distribution of each Tranche of Notes, as certified by the relevant dealer (in the case of a non-syndicated issue) or the relevant lead manager (in the case of a syndicated issue);

“**Early Redemption Amount**” means the amount as may be specified in, or calculated or determined in accordance with, the relevant Final Terms;

“**Equity-Linked Notes**” means Notes which are Equity-Linked Interest Notes and/or Equity-Linked Redemption Notes, as specified in the relevant Final Terms;

“**euro**” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the functioning of the European Union, as amended;

“**Euroclear**” means Euroclear Bank SA/NV;

“**Euroclear Finland**” means Euroclear Finland Oy, the Finnish central securities depository;

“**Euroclear Sweden**” means Euroclear Sweden AB, the Swedish central securities depository;

“**Events of Default**” has the meaning given to such term in Condition 11 (*Events of Default*);

“**Extraordinary Resolution**” has the meaning given in the Agency Agreement;

“**Final Redemption Amount**” means, in respect of any Note, its Outstanding Principal Amount or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Final Terms;

“**Fixed Coupon Amount**” has the meaning given in the relevant Final Terms;

“**Index-Linked Notes**” means Notes which are Index-Linked Interest Notes and/or Index-Linked Redemption Notes, as specified in the relevant Final Terms;

“**Inflation-Linked Notes**” means Notes which are Inflation-Linked Interest Notes and/or Inflation-Linked Redemption Notes, as specified in the relevant Final Terms;

“**Interest Amount**” has the meaning given to such term in Condition 6.7 (*Calculation of interest amount*);

“**Interest Commencement Date**” means the Issue Date of the Note or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

“**Interest Determination Date**” has the meaning given in the relevant Final Terms;

“**Interest Payment Date**” means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (i) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

“**Interest Period**” means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

“**ISDA Definitions**” means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.);

“**Issue Date**” has the meaning given in the relevant Final Terms;

“**Margin**” has the meaning given in the relevant Final Terms;

“**Maturity Date**” has the meaning given in the relevant Final Terms;

“**Maximum Redemption Amount**” has the meaning given in the relevant Final Terms;

“**Member States**” means the member states of the European Economic Area;

“**Minimum Redemption Amount**” has the meaning given in the relevant Final Terms;

“Optional Redemption Amount (Call)” means, in respect of any Note, its Outstanding Principal Amount, or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Final Terms;

“Optional Redemption Amount (Put)” means, in respect of any Note, its Outstanding Principal Amount, or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Final Terms;

“Optional Redemption Date (Call)” has the meaning given in the relevant Final Terms;

“Optional Redemption Date (Put)” has the meaning given in the relevant Final Terms;

“Outstanding Principal Amount” means, in respect of a Note, its principal amount;

“Payment Business Day” means:

- (i) in the case of Bearer Notes, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in (a) in the case of Notes in definitive form only, the relevant place of presentation and (b) each Applicable Financial Centre specified in the relevant Final Terms and, if TARGET is an Applicable Finance Centre, a TARGET Settlement Day; and
- (ii) in the case of VP Systems Notes, 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 Applicable Financial Centre specified in the relevant Final Terms and, if TARGET is an Applicable Finance Centre, a TARGET Settlement Day;

“Person” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

“Put Option Notice” means a notice, in the form available from the Specified Office of any Paying Agent which must be delivered to the Specified Office of a Paying Agent by any Holder wanting to exercise its right to require the Issuer to redeem a Note at the option of the Holder;

“Put Option Receipt” means a receipt issued by a Paying Agent to a depositing Holder upon deposit of a Note with such Paying Agent by any Holder wanting to exercise a right to redeem a Note at the option of the Holder;

“Rate of Interest” means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

“Redemption Amount” means, as appropriate, the Final Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Index-Linked Redemption Amount, the Equity-Linked Redemption Amount, the Currency-Linked Redemption Amount, the Inflation-Linked Redemption Amount, the Commodity-Linked Redemption Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, these Conditions or the relevant Final Terms;

“Reference Banks” has the meaning given in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

“**Reference Price**” has the meaning given in the relevant Final Terms;

“**Reference Rate**” has the meaning given in the relevant Final Terms;

“**Regular Period**” means:

- (i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls; and
- (iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

“**Relevant Date**” means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Applicable Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Holders;

“**Relevant Financial Centre**” has the meaning given in the relevant Final Terms;

“**Relevant Screen Page**” means the page, section or other part of a particular information service (including, without limitation, the Reuter Money 3000 Service) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

“**Relevant Time**” has the meaning given in the relevant Final Terms;

“**Securities Act**” means the United States Securities Act of 1933, as amended;

“**Specified Currency**” has the meaning given in the relevant Final Terms;

“**Specified Denomination(s)**” has the meaning given in the relevant Final Terms;

“**Specified Office**” has the meaning given in the Agency Agreement or the VP Systems Agency Agreement, as the case may be;

“**Specified Period**” has the meaning given in the relevant Final Terms;

“**Subsidiary**” means, in relation to any Person (the “**first Person**”) at any particular time, any other Person (the “**second Person**”):

- (i) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

“**Talon**” means a talon for further Coupons;

“**TARGET Settlement Day**” means any day on which the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET2) System (“**TARGET**”), which was launched on 19 November 2007, or any successor thereto is open for the settlement of payments in euro;

“**Treaty**” means the Treaty on the functioning of the European Union, as amended;

“**VP**” means VP Securities Services (*VP Securities A/S*), the Danish central securities depository;

“**VPS**” means the Norwegian Central Securities Depository (*Verdipapirsentralen*), the Norwegian central securities depository;

“**VP Systems Notes**” means Notes issued in uncertificated and dematerialised book entry form cleared through the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be; and

“**Zero Coupon Note**” means a Note specified as such in the relevant Final Terms.

2.2. *Interpretation:* In these Conditions:

- (i) any reference to “Notes” shall be deemed to include references to Coupons, if relevant, and any reference to “Holders” or “Noteholders” shall be deemed to include references to Couponholders, if relevant;
- (ii) if the Notes are Zero Coupon Notes, references to “Coupons” and “Couponholders” are not applicable;
- (iii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to “Coupons” shall be deemed to include references to Talons;
- (iv) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (v) any reference to “principal” shall be deemed to include (A) the Redemption Amount, (B) any additional amounts in respect of principal which may be payable under Condition 10.1 (*Taxation – Gross-Up*), (C) any premium payable in respect of a Note, (D) in relation to Equity-Linked Redemption Notes, the Failure to Deliver Settlement Price (if any) and/or the Disruption Cash Settlement Price (if any) and (E) any other amount in the nature of principal payable pursuant to these Conditions;
- (vi) any reference to “interest” shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 10.1 (*Taxation – Gross-Up*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vii) references to Notes being “outstanding” shall be construed in accordance with the Agency Agreement;

- (viii) if an expression is stated in Condition 2.1 (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is “not applicable” then such expression is not applicable to the Notes;
- (ix) any reference to the Agency Agreement, the Deed of Covenant or the VP Systems Agency Agreement shall be construed as a reference to the Agency Agreement, the Deed of Covenant or the VP Systems Agency Agreement, as the case may be, as amended and/or supplemented up to and including the Issue Date of the first Tranche of the Notes;
- (x) if the relevant Final Terms specify any Redemption Amount on a per Calculation Amount basis, the relevant Redemption Amount in respect of a Note shall be deemed to be the product of the relevant Redemption Amount per Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination of such Note;
- (xi) VP Systems Notes are in dematerialised form, and any references in these Conditions to Coupons and Talons shall not apply to VP Systems Notes; and
- (xii) any reference to a numbered “Condition” shall be to the relevant Condition in these Conditions.

3. Form, Denomination and Title

- 3.1. *Form of Notes:* The Notes are Bearer Notes or VP Systems Notes, as specified in the relevant Final Terms and, in the case of definitive Bearer Notes, serially numbered, in the Specified Currency and the Specified Denomination(s).
- 3.2. *Type of Notes:* The Notes may be Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Index-Linked Interest Notes, Equity-Linked Interest Notes, Currency-Linked Interest Notes, Inflation-Linked Interest Notes, Commodity-Linked Notes or a combination of any of the foregoing, depending upon the Interest Basis (if any) shown in the relevant Final Terms. The Notes may be Index-Linked Redemption Notes, Equity-Linked Redemption Notes, Currency-Linked Redemption Notes, Inflation-Linked Redemption Notes, Commodity-Linked Redemption Notes, Instalment Notes, Partly Paid Notes or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the relevant Final Terms.
- 3.3. *Title to definitive Notes:* Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery in accordance with the provisions of the Agency Agreement. The Issuer and any Paying Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in Condition 3.4 (*Title to Global Notes*).
- 3.4. *Title to Global Notes:* For so long as any of the Bearer Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Paying Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant bearer Global Note shall be treated by the Issuer and any Paying Agent as the

holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “**Noteholder**” and “**Holder**” and related expressions shall be construed accordingly.

Bearer Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the relevant Final Terms or as may otherwise be approved by the Issuer and the Fiscal Agent.

- 3.5. *Exchanges*: Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination. Bearer Notes may not be exchanged for VP Systems Notes and *vice versa*.
- 3.6. *VP Systems Notes*: Title to VP Systems Notes will pass by registration in the registers between the direct or indirect accountholders at the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, in accordance with the rules and procedures of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be. The Holder of a VP Systems Note will be the person evidenced (including any nominee) as such by a book entry in the records of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be. The person so evidenced as a Holder of VP Systems Notes shall be treated as the Holder of such Notes for all purposes.

The Issuer shall be entitled to receive information regarding the identity of Holders maintained by the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, and from time to time shall be entitled to review the “debt ledgers” maintained by the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, which contain details of the Holders.

4. Status of the Notes

The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and at least *pari passu* with all other unsubordinated and unsecured obligations (including liabilities in respect of deposits) of the Issuer, present and future (save for certain mandatory exceptions provided by law).

5. Fixed Rate Note Provisions

- 5.1. *Application*: This Condition 5 is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- 5.2. *Accrual of interest*: The Notes bear interest from, and including, the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 9 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 5 (as well after as before judgment) until whichever is the earlier of:
 - (i) the day on which all sums due in respect of such Note have been paid and/or all assets deliverable in respect of such Note have been delivered; and
 - (ii) the day which is seven days after the Fiscal Agent or the relevant VP Systems Agent, as applicable, has notified the Holders that it has received all sums due in respect of the Notes and/or all assets in respect of the Notes have been received by any agent appointed by the Issuer to deliver such assets to Holders up to such seventh day (except to the extent that there is any subsequent default in payment).

- 5.3. *Fixed Coupon Amount and Broken Amount:* Except as provided in the relevant Final Terms, the amount of interest payable in respect of the Calculation Amount for any Interest Period shall be the Fixed Coupon Amount or the relevant Broken Amount, as the case may be. Where the Specified Denomination of a Note comprises more than one Calculation Amount, the amount of interest payable in respect of such Note shall be the aggregate of the Fixed Coupon Amounts or the relevant Broken Amounts, as the case may be, for each Calculation Amount comprising the Specified Denomination without any further rounding.
- 5.4. *Calculation of interest amount:* Except where a Fixed Coupon Amount or a Broken Amount is specified in the relevant Final Terms, the amount of interest payable in respect of the Notes for any period shall be calculated by applying the Rate of Interest to the Calculation Amount, and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). For this purpose a “sub-unit” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. Where the Specified Denomination of a Note comprises more than one Calculation Amount, the amount of interest payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.
- 6. Floating Rate Note, Index-Linked Interest Note, Equity-Linked Interest Note, Currency-Linked Interest Note and Inflation-Linked Interest Note Provisions**
- 6.1. *Application:* This Condition 6 is applicable to the Notes only if the Floating Rate Note Provisions, the Index-Linked Interest Note Provisions, the Equity-Linked Interest Note Provisions, the Currency-Linked Interest Note Provisions, the Inflation-Linked Interest Note Provisions or the Commodity-Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable.
- 6.2. *Accrual of interest:* The Notes bear interest from, and including, the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 9 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (as well after as before judgment) until whichever is the earlier of:
- (i) the day on which all sums due in respect of such Note have been paid and/or all assets deliverable in respect of such Note have been delivered; and
 - (ii) the day which is seven days after the Fiscal Agent or the relevant VP Systems Agent, as applicable, has notified the Holders that it has received all sums due in respect of the Notes and/or all assets in respect of the Notes have been received by any agent appointed by the Issuer to deliver such assets to Holders up to such seventh day (except to the extent that there is any subsequent default in payment).
- 6.3. *Screen Rate Determination:* If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:
- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

- (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iii) if, in the case of Condition 6.3(i) above, such rate does not appear on that page or, in the case of Condition 6.3(ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
 - (a) request the principal Relevant Financial Centre office of each the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
 - (b) determine the arithmetic mean of such quotations; and
- (iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the principal financial centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the principal financial centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or, as the case may be, the arithmetic mean so determined; provided, however, that if the Calculation Agent is unable to determine a rate or, as the case may be, an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or, as the case may be, the arithmetic mean last determined in relation to the Notes in respect of the immediately preceding Interest Period.

6.4. *ISDA Determination*: If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where “ISDA Rate” in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) 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 interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
- (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms; and
- (iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the London inter-bank offered rate (LIBOR) for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Final Terms.

6.5. *Index-Linked Interest, Equity-Linked Interest, Currency-Linked Interest, Inflation-Linked Interest Notes and Commodity-Linked Interest Notes*: If the Notes are Index-Linked Interest Notes, Equity-Linked Interest Notes, Currency-Linked Interest Notes, Inflation-Linked Interest Notes or Commodity-Linked Interest Notes, as specified in the relevant Final Terms, the Rate(s) of Interest

and/or the Interest Amount applicable to the Notes for each Interest Period will be determined in the manner specified in the relevant Final Terms. If the Notes are Index-Linked Interest Notes, Condition 12.A. (*Index-Linked Notes*) will apply. If the Notes are Equity-Linked Interest Notes, Condition 12.B. (*Equity-Linked Notes*) will apply. If the Notes are Currency-Linked Interest Notes, Condition 12.D. (*Currency-Linked Notes*) will apply. If the Notes are Inflation-Linked Interest Notes, Condition 12.E. (*Inflation-Linked Notes*) will apply. If the Notes are Commodity-Linked Interest Notes, Condition 12.F. (*Commodity-Linked Notes*) will apply.

- 6.6. *Maximum or Minimum Rate of Interest:* If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.
- 6.7. *Calculation of interest amount:* The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest and/or the amount of interest (the “**Interest Amount**”) is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of such Interest Period either (i) as specified in the relevant Final Terms or, (ii) if not so specified, by applying the Rate of Interest for such Interest Period to the Calculation Amount, and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit (as defined in Condition 5.4 (*Calculation of interest amount*)) of the Specified Currency (half a sub-unit being rounded upwards). Where the Specified Denomination of a Note is the Calculation Amount, the amount of interest in respect of such Note shall be the Interest Amount. Where the Specified Denomination of a Note comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.
- 6.8. *Calculation of other amounts:* If the relevant Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Final Terms.
- 6.9. *Publication:* The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents (if applicable), each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and, in the case of VP Systems Notes, the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, and the relevant VP Systems Agent as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date in respect of Floating Rate Notes only) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Holders in accordance with Condition 18 (*Notices*). The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period.
- 6.10. *Notifications etc:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 6 by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents (if applicable), the VP Systems Agents (if applicable), the Holders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

7. Zero Coupon Note Provisions

- 7.1. *Application*: This Condition 7 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.
- 7.2. *Late payment on Zero Coupon Notes*: If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:
- (i) the Reference Price; and
 - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of:
 - (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Holder; and
 - (b) the day which is seven days after the Fiscal Agent has notified the Holders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

8. Redemption and Purchase

- 8.1. *Scheduled redemption*: Unless previously redeemed, or purchased and cancelled, the Notes (unless the Notes are Index-Linked Redemption Notes, Equity-Linked Redemption Notes, Currency-Linked Redemption Notes, Inflation-Linked Redemption Notes or Commodity-Linked Redemption Notes) will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 9 (*Payments*).

Index-Linked Redemption Notes, Equity-Linked Redemption Notes, Currency-Linked Redemption Notes, Inflation-Linked Redemption Notes or Commodity-Linked Redemption Notes will be redeemed as set out in Condition 12 (*Structured Notes*).

- 8.2. *Early redemption for tax reasons*: If, in relation to any Series of Notes, Condition 10.1 is specified in the relevant Final Terms as being applicable and:
- (i) as a result of any change in the laws, regulations or rulings of Denmark or of any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the interpretation or administration of any such laws, regulations or rulings which becomes effective on or after the Issue Date of the first Tranche of such Notes, the Issuer would be required to pay additional amounts as provided in Condition 10.1 (*Taxation – Gross-up*); and
 - (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

the Issuer may, at its option and having given no less than thirty nor more than sixty days' notice (ending, in the case of Floating Rate Notes, on a day upon which interest is payable) to the Holders in accordance with Condition 18 (*Notices*) (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Notes comprising the relevant Series at the Early Redemption Amount, together with, if so specified in the relevant Final Terms, accrued interest, provided, however, that no such notice of redemption may be given earlier than ninety days (or, in the case of Notes which are Floating Rate Notes, a number of days which is equal to the aggregate of the number of days falling within the then current interest period applicable to the Notes plus sixty days)

prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

If Condition 10.3 is specified in the relevant Final Terms as being applicable, this Condition 8.2 shall not apply to the Notes.

- 8.3. *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call), together with accrued interest (if any) thereon upon the Issuer's giving not less than thirty days' notice (or such lesser period as may be specified in the relevant Final Terms) to the Holders in accordance with Condition 18 (*Notices*) (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call)).

If the Notes are Bearer Notes in definitive form, the notice to Holders referred to in this Condition 8.3 shall specify the serial numbers of the Notes so to be redeemed.

If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder of its Put Option pursuant to Condition 8.5 (*Redemption at the option of Holder*).

- 8.4. *Partial redemption:* If the Notes are to be redeemed in part only on any date in accordance with Condition 8.3 (*Redemption at the option of the Issuer*):
- (i) in the case of Bearer Notes in definitive form, the Notes to be redeemed shall be drawn by lot in such European city as the Fiscal Agent may specify, or identified in such other manner or in such other place as the Fiscal Agent may approve and deem appropriate and fair;
 - (ii) in the case of Global Notes, the Notes to be redeemed will be selected in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion); or
 - (iii) in the case of VP Systems Notes, the Notes to be redeemed shall be selected in accordance with the standard procedures of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, from time to time.

- 8.5. *Redemption at the option of Holder:* If the Put Option is specified in the relevant Final Terms as being applicable, upon a Holder of any Note giving not less than forty-five nor more than sixty days' notice to the Issuer, the Issuer will redeem such Note on the Optional Redemption Date (Put) at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date.

If the Note is a Bearer Note in definitive form, in order to exercise the option contained in this Condition 8.5, the Holder of such Note must, within the notice period set out above, deposit at the Specified Office of any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent specifying the aggregate Outstanding Principal Amount in respect of which such option is exercised. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Holder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 8.5, may be withdrawn; provided, however, that if, prior to the

relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Holder at such address as may have been given by such Holder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Holder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 8.5, the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

If the Notes are represented by a Global Note, in order to exercise the option contained in this Condition 8.5, the Holder of such Global Note must, within the notice period set out above, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised.

If the Note is a VP Systems Note, in order to exercise the option contained in this Condition 8.5, the Holder of such Note must, within the notice period set out above, give notice to the relevant VP Systems Agent of such exercise in accordance with the standard procedures of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, from time to time.

Any such notice will be irrevocable and may not be withdrawn.

The Holder of a Note may not exercise such Put Option in respect of any Note which is the subject of an exercise by the Issuer of its Call Option.

- 8.6. *Early redemption of Zero Coupon Notes:* Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:
- (i) the Reference Price; and
 - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or, as the case may be, the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the relevant Final Terms for the purposes of this Condition 8.6 or, if none is so specified, a Day Count Fraction of 30E/360.

- 8.7. *Illegality:* In the event that the Calculation Agent determines that the performance of the Issuer's obligations under the Notes or that any arrangements made to hedge the Issuer's obligations under the Notes has or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, the Issuer having given not less than ten nor more than thirty days' notice to Holders in accordance with Condition 18 (*Notices*) (which notice shall be irrevocable), may, on expiry of such notice redeem all, but not some only, of the Notes, each Note being redeemed at the Early Redemption Amount together with, if so specified in the relevant Final Terms, accrued interest.
- 8.8. *Purchase:* The Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, provided that, in the case of Bearer Notes, all unmaturing Coupons are purchased therewith. Such Notes may be held, reissued, resold or, in the case of Bearer Notes, surrendered to any Paying Agent for cancellation.

8.9. *Cancellation:* All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 8.8 (*Purchase*) above (together, in the case of Bearer Notes, with all unmatured Coupons cancelled therewith) shall be forwarded to the Fiscal Agent or, in the case of VP Systems Notes, shall be deleted from the records of the VP, VPS, Euroclear Finland or Euroclear, as the case may be, and, in either case, cannot be reissued or resold.

9. **Payments**

9.1. *Method of payment:* Subject as provided below:

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

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 10 (*Taxation*).

9.2. *Presentation of definitive Bearer Notes and Coupons:* Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 9.1 (*Method of Payment*) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the Specified Office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

9.3. *Coupons for definitive Fixed Rate Notes:* Fixed Rate Notes in definitive bearer form (other than Index-Linked Notes, Equity-Linked Notes, Currency-Linked Notes, Inflation-Linked Notes, Commodity-Linked Notes or Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 13 (*Prescription*)) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

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

- 9.4. *Coupons for definitive Floating Rate Notes, Index-Linked Notes, Equity-Linked Notes, Currency-Linked Notes, Inflation-Linked Notes and Commodity-Linked Notes:* Upon the date on which any Floating Rate Note, Index-Linked Note, Equity-Linked Note, Currency-Linked Note, Inflation-Linked Notes, Commodity-Linked Notes or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A “**Long Maturity Note**” is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.
- 9.5. *Payments other than in respect of Matured Coupons:* If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.
- 9.6. *Bearer Global Notes:* Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the Specified Office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Global Note in bearer form, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented and such record shall be *prima facie* evidence that the payment in question has been made.
- 9.7. *General provisions applicable to payments:* The Holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the Holder of such Global Note.
- 9.8. *Payments in New York City:* Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the Specified Office of a Paying Agent in the United States if:
- (i) the Issuer has appointed Paying Agents with Specified Offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such Specified Offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
 - (ii) payment of the full amount of such principal and interest at all such Specified Offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
 - (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

- 9.9. *VP Systems Notes:* Payments of principal and interest in respect of VP Systems Notes shall be made to the Holders shown in the relevant records of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, in accordance with, and subject to the rules and regulations from time to time governing, the VP, VPS, Euroclear Finland or Euroclear Sweden.
- 9.10. *Payment Business Day:* If the date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day, the Holder thereof shall not be entitled to payment until the next following Payment Business Day and shall not be entitled to further interest or other payment in respect of such delay.

10. Taxation

- 10.1. *Gross-up:* If Condition 10.1 is specified in the relevant Final Terms as being applicable, all payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Denmark or any political subdivision therein or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Holders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in relation to any payment in respect of any Note or Coupon:
- (i) to, or to a third party on behalf of, a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of it having some connection with Denmark other than:
 - (a) the mere holding of the Note or Coupon; or
 - (b) the receipt of principal, interest or other amount in respect of such Note or Coupon; or
 - (ii) presented for payment more than thirty days after the Relevant Date, except to the extent that the relevant Holder would have been entitled to such additional amounts on presenting the same for payment on or before the expiry of such period of thirty days; or
 - (iii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive; or
 - (iv) presented for payment by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the EU.
- 10.2. *Taxing jurisdiction:* If the Issuer becomes subject at any time to any taxing jurisdiction other than Denmark, references in these Conditions to Denmark shall be construed as references to Denmark and/or such other jurisdiction.
- 10.3. *No gross-up:* If Condition 10.3 is specified in the relevant Final Terms as being applicable, the Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation and surrender for payment, or

enforcement of any Note and all payments made by the Issuer shall be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

11. Events of Default

11.1. *Events of Default*: The following events or circumstances as modified by, and/or such other events as may be specified in, the relevant Final Terms (each an “**Event of Default**”) shall be acceleration events in relation to the Notes of any Series, namely:

- (i) the Issuer fails to pay any amount of principal or interest in respect of the Notes of the relevant Series or any of them on the due date for payment thereof and such default continues for a period of five days on which banks are open for business in Copenhagen after written notice has been given by the Fiscal Agent or the Holder of any such Note to the Issuer; or
- (ii) the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes of the relevant Series and (except in any case where such default is incapable of remedy when no such continuation or notice, as is hereinafter mentioned, will be required) such default remains unremedied for thirty days after written notice requiring such default to be remedied has been received by the Issuer from the Fiscal Agent or the Holder of any such Note; or
- (iii) a distress, execution, seizure before judgment or other legal process is levied or enforced or sued out upon or against any part of the property, assets or revenues of the Issuer which is material in its effect upon the operation of the Issuer and is not discharged or stayed within sixty days of having been so levied, enforced or sued out; or
- (iv) (A) an application for the commencement of bankruptcy against the assets of the Issuer is filed and the application has been filed by or on behalf of the Issuer, or (B) a third party has filed an application for the commencement of bankruptcy against the assets of the Issuer and (the earlier of) either (1) the DFSA advises the competent court to open up bankruptcy proceedings, or (2) the competent court opens bankruptcy proceedings against the assets of the Issuer, or (C) under Section 233 of the Danish Financial Business Act, the DFSA permits liquidators of the Issuer appointed pursuant to Sections 227 or 228 of the Danish Financial Business Act to file a petition for bankruptcy under and pursuant to Section 17 of the Bankruptcy Act in relation to the Issuer, or (D) under Sections 233 or 234 of the Danish Financial Business Act, the DFSA files a petition for bankruptcy under and pursuant to Section 17 of the Bankruptcy Act in relation to the Issuer; or
- (v) under Section 238 of the Danish Financial Business Act, the DFSA files a petition for the suspension of payments of the Issuer.

11.2. *Acceleration*: If any Event of Default shall occur in relation to any Series of Notes, any Holder of a Note of the relevant Series may, by written notice to the Issuer (effective upon receipt), at the specified office of the Fiscal Agent, declare that such Note and (if the Note is interest-bearing) together with all interest (if any) accrued thereon shall be forthwith due and payable, whereupon the same shall become immediately due and payable at its Early Redemption Amount, together with all interest (if any) accrued thereon without presentment, demand, protest or other notice of any kind, all of which the Issuer will expressly waive, anything contained in such Notes to the contrary notwithstanding, unless, prior thereto, all Events of Default in respect of the Notes of the relevant Series shall have been cured.

12. Structured Notes

12.A. Index-Linked Notes

12.A.1. *Applicability*: This Condition 12.A. is applicable only in relation to Index-Linked Notes.

12.A.2. *Redemption of Index-Linked Redemption Notes*: This Condition 12.A.2. is only applicable in relation to Index-Linked Redemption Notes. Unless previously redeemed, or purchased and cancelled, each nominal amount of the Notes equal to the Calculation Amount will be redeemed by the Issuer at their Index-Linked Redemption Amount (as defined below) on the Maturity Date, subject as provided in Condition 9 (*Payments*).

12.A.3. *Adjustments to an Index*:

- (i) If an Index is (i) not calculated and announced by or on behalf of the Index Sponsor but is calculated and announced by or on behalf of a successor to the Index Sponsor (a “**Successor Index Sponsor**”) acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then, in each case, that index (the “**Successor Index**”) will be deemed to be the Index.
- (ii) If (i) on or prior to a Relevant Determination Date the relevant Index Sponsor or (if applicable) the Successor Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating an Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in Component Securities and capitalisation and other routine events) (an “**Index Modification**”) or permanently cancels that Index and no Successor Index exists (an “**Index Cancellation**”), or (ii) on any Relevant Determination Date the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce that Index (an “**Index Disruption**” and, together with an Index Modification and an Index Cancellation, each an “**Index Adjustment Event**”), then the Issuer may take the action described in (a) or (b) below:
 - (a) require the Calculation Agent to determine if such Index Adjustment Event has a material effect on the Notes and, if so, to either (A) in relation to any Relevant Determination Date, calculate the relevant level using, in lieu of a published level for that Index, the level for that Index as at the relevant time on that Relevant Determination Date, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to that change, failure or cancellation but using only those Component Securities that comprised that Index immediately prior to that Index Adjustment Event (other than those Component Securities that have since ceased to be listed on any relevant Exchange) or (B) substitute the Index with a replacement index using, in the determination of the Calculation Agent, the same or a substantially similar method of calculation as used in the calculation of the Index (the “**Substitute Index**”) and the Calculation Agent shall determine the adjustments, if any, to be made to these Conditions and/or the relevant Final Terms to account for such substitution; or
 - (b) give notice to the Holders in accordance with Condition 18 (*Notices*) and redeem all, but not some only, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount together with, if so specified in the relevant Final Terms, accrued interest.

- (iii) If “Correction of Index Levels” is specified as applying in the relevant Final Terms and the official closing level of an Index published on any Relevant Determination Date and which is utilised for any calculation or determination made in respect of the Notes is subsequently corrected and the correction (the “**Corrected Index Level**”) is published by the Index Sponsor or (if applicable) the Successor Index Sponsor prior to the Correction Cut-Off Date specified in the relevant Final Terms, then such Corrected Index Level shall be deemed to be the closing level for such Index for such Relevant Determination Date and the Calculation Agent shall use such Corrected Index Level in determining the relevant Interest Amount and/or Index-Linked Redemption Amount.
- (iv) Upon the occurrence of an Index Adjustment Event, the Issuer shall give notice as soon as practicable to Holders in accordance with Condition 18 (*Notices*) giving details of the action proposed to be taken in relation thereto. Without limiting the obligation of the Issuer to give notice to the Holders as set forth in the preceding sentence, failure by the Issuer to notify the Holders of the occurrence of an Index Adjustment Event shall not affect the validity of the occurrence and effect of such Index Adjustment Event.

12.A.4. *Additional provisions relating to Commodity Indices*: If an Index is specified in the relevant Final Terms to be a “Commodity Index”, additional provisions may be set out in the relevant Final Terms.

12.A.5. *Definitions applicable to Index-Linked Notes*: The following expressions have the following meanings in the context of Index-Linked Notes only:

“**Averaging Date**” means each date specified as an Initial Averaging Date or a Final Averaging Date, as the case may be, in the relevant Final Terms or, if any such date is not a Scheduled Trading Day for all of the Indices, the next following Scheduled Trading Day for all of the Indices unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day in relation to any of the Indices. If such day is a Disrupted Day in relation to any of the Indices, then:

- (i) if “**Omission**” is specified in the relevant Final Terms as applying, then such date will be deemed not to be a relevant Averaging Date for the purposes of determining the Final Redemption Amount provided that, if through the operation of this provision there would not be a relevant Averaging Date, then the provisions of the definition of “Valuation Date” will apply for the purposes of determining the relevant level, price or amount on the final Initial Averaging Date or Final Averaging Date, as the case may be, as if such Averaging Date were a Valuation Date that was a Disrupted Day for any of the Indices;
- (ii) if “**Postponement**” is specified in the relevant Final Terms as applying, then the provisions of the definition of “Valuation Date” will apply for purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day for any of the Indices irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be a relevant Averaging Date; or
- (iii) if “**Modified Postponement**” is specified in the relevant Final Terms as applying:
 - (a) where the Notes relate to a single Index, the relevant Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the relevant Averaging Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the relevant Averaging Date (irrespective of whether the eighth Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level, price or amount for that

Averaging Date in accordance with sub-paragraph (i)(b) of the definition of “Valuation Date” below; and

- (b) where the Notes relate to a Basket of Indices, the Averaging Date for each Index not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date and the Averaging Date for an Index affected by the occurrence of a Disrupted Day (each an “**Affected Index**”) shall be the first succeeding Valid Date in relation to the Affected Index. If the first succeeding Valid Date in relation to the Affected Index has not occurred as of the Valuation Time on the eighth Scheduled Trading Day for the Affected Index immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Initial Averaging Date or Final Averaging Date, as the case may be, then (A) that eighth Scheduled Trading Day shall be deemed to be the relevant Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in relation to such Affected Index, and (B) the Calculation Agent shall determine the relevant level, price or amount for such Averaging Date in accordance with sub-paragraph (ii)(b) of the definition of “Valuation Date” below;

“**Capped Index-Linked Redemption Amount**” means the amount (if any) specified in the relevant Final Terms;

“**Component Security**” means, in relation to an Index, each security, commodity, futures contract or other security or asset comprising such Index;

“**Disrupted Day**” means, in relation to an Index:

- (i) where such Index is not specified in the relevant Final Terms as being a Designated Multi-Exchange Index, any Scheduled Trading Day for such Index on which a relevant Exchange or any Related Exchange for such Index fails to open for trading during its regular trading session or on which a Market Disruption Event in respect of such Index has occurred; or
- (ii) where such Index is specified in the relevant Final Terms as being a Designated Multi-Exchange Index, any Scheduled Trading Day for such Index on which (a) the relevant Index Sponsor fails to publish the level of such Index, (b) any Related Exchange for such Index fails to open for trading during its regular trading session or (c) a Market Disruption Event in respect of such Index has occurred.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 18 (*Notices*) of the occurrence of a Disrupted Day on any Relevant Determination Date that, but for the occurrence of a Disrupted Day, would have been a Relevant Determination Date. Without limiting the obligation of the Calculation Agent to give notice to the Holders as set forth in the preceding sentence, failure by the Calculation Agent to notify the Holders of the occurrence of a Disrupted Day shall not affect the validity of the occurrence and effect of such Disrupted Day;

“**Exchange**” means, in relation to an Index:

- (i) where such Index is not specified in the relevant Final Terms as being a Designated Multi-Exchange Index, each exchange or quotation system specified as such for such Index in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Component Securities comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the Component Securities comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange); or

- (ii) where such Index is specified in the relevant Final Terms as being a Designated Multi-Exchange Index, in relation to each Component Security of that Index, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent;

“**Exchange Business Day**” means, in relation to an Index:

- (i) where such Index is not specified in the relevant Final Terms as being a Designated Multi-Exchange Index, any Scheduled Trading Day for such Index on which each Exchange and each Related Exchange for such Index are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time; or
- (ii) where such Index is specified in the relevant Final Terms as being a Designated Multi-Exchange Index, any Scheduled Trading Day for such Index on which (a) the relevant Index Sponsor publishes the level of such Index and (b) each Related Exchange for such Index for such Index is open for trading during its regular trading session, notwithstanding any such Related Exchange closing prior to its Scheduled Closing Time;

“**Final Price**” means:

- (i) where no Final Averaging Dates are specified in the relevant Final Terms, an amount equal to the Reference Price in relation to the Final Valuation Date; or
- (ii) where Final Averaging Dates are specified in the relevant Final Terms, an amount equal to the arithmetic mean of the Reference Prices in relation to each of the Final Averaging Dates, as determined by the Calculation Agent;

“**Final Valuation Date**” means the date specified as such in the relevant Final Terms, such date being a “Valuation Date”;

“**Floored Index-Linked Redemption Amount**” means the amount (if any) specified in the relevant Final Terms;

“**Indices**” and “**Index**” mean, subject to adjustment in accordance with Condition 12.A.3. (*Adjustments to an Index*), the indices or index specified in the relevant Final Terms and related expressions shall be construed accordingly;

“**Index Sponsor**” means, in relation to an Index, the corporation or other entity that (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (ii) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day for such Index;

“**Index-Linked Redemption Amount**” means, in relation to an Index-Linked Redemption Note, the Index-Linked Redemption Amount specified in the relevant Final Terms or, if the relevant Final Terms specify “Call Index-Linked Redemption Notes” or “Put Index-Linked Redemption Notes”, as the case may be, an amount equal to:

- (i) in the case of Call Index-Linked Redemption Notes:
 - (a) if the Final Price is greater than the Strike Price:

$$\text{Multiplier} \times \left(\left[\frac{\text{Final Price} - \text{Strike Price}}{\text{Strike Price}} \right] + 100 \text{ per cent.} \right) \times \text{Calculation Amount} ; \text{ or}$$

- (b) if the Final Price is equal to or less than the Strike Price:
100 per cent. x Calculation Amount; or
- (ii) in the case of Put Index-Linked Redemption Notes:
 - (a) if the Final Price is less than the Strike Price:

$$\text{Multiplier} \times \left(\left[\frac{\text{Strike Price} - \text{Final Price}}{\text{Strike Price}} \right] + 100 \text{ per cent.} \right) \times \text{Calculation Amount} ; \text{ or}$$
 - (b) if the Final Price is equal to or greater than the Strike Price:
100 per cent. x Calculation Amount,

provided always that the Index-Linked Redemption Amount shall in no event be (x) less than the greater of zero and the Floored Index-Linked Redemption Amount (if any) or (y) greater than the Capped Index-Linked Redemption Amount (if any). The Index-Linked Redemption Amount will be rounded to the nearest two decimal places (or, in the case of Japanese Yen, the nearest whole unit) in the Specified Currency, 0.005 (or, in the case of Japanese Yen, half of one unit) being rounded upwards;

“**Initial Valuation Date**” means the date specified as such in the relevant Final Terms, such date being a “Valuation Date”;

“**Interest Valuation Date**” means each date specified as such in the relevant Final Terms, each such date being a “Valuation Date”;

“**Market Disruption Event**” means:

- (i) in relation to an Index other than a Designated Multi-Exchange Index:
 - (a) the occurrence or existence at any time during the one-hour period that ends at the relevant Valuation Time of:
 - (A) any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise:
 - (x) on any relevant Exchange(s) relating to Component Securities that comprise 20 per cent. or more of the level of the relevant Index; or
 - (y) in futures or options contracts relating to the relevant Index on any relevant Related Exchange; or
 - (B) any event (other than an event described in (b) below) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (x) to effect transactions in, or obtain market values for, on any relevant Exchange(s) Component Securities that comprise 20 per cent. or more of the level of the relevant Index, or (y) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on any relevant Related Exchange; or

- (b) the closure on any Exchange Business Day of any relevant Exchange(s) relating to Component Securities that comprise 20 per cent. or more of the level of the relevant Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one-hour prior to the earlier of (A) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day or, if earlier, (B) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day,

which in any such case the Calculation Agent determines is material; or

- (ii) in relation to a Designated Multi-Exchange Index and a Component Security included in such Index either:

- (a) the occurrence or existence, in respect of any Component Security, of:
 - (A) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded;
 - (B) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; or
 - (C) an Early Closure in respect of such Component Security, which the Calculation Agent determines is material; and

the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists, comprises 20 per cent. or more of the level of the Index; or

- (b) the occurrence or existence, in respect of futures or options contracts relating to the Index, of: (A) a Trading Disruption at any time during the one-hour period that ends at the Valuation Time in respect of any Related Exchange, (B) an Exchange Disruption at any time during the one-hour period that ends at the Valuation Time in respect of any Related Exchange or (C) an Early Closure, in each case in respect of such futures or options contracts and which the Calculation Agent determines is material.

As used above:

“**Early Closure**” means the closure on any Exchange Business Day of the Exchange in respect of any Component Security or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange, as the case may be, at least one-hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or Related Exchange, as the case may be, on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into the relevant Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day;

“**Exchange Disruption**” means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general

to effect transactions in, or obtain market values for: (i) any Component Security on the Exchange in respect of such Component Security; or (ii) futures or options contracts relating to the Index on any Related Exchange; and

“**Trading Disruption**” means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange, as the case may be, or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to any Component Security on the Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to the Index on any Related Exchange.

For the purposes of determining whether a Market Disruption Event in respect of an Index or a Component Security exists at any time, if a Market Disruption Event occurs in respect of a relevant Component Security at that time, then the relevant percentage contribution of that Component Security to the level of the Index shall be based on a comparison of (i) the portion of the level of the Index attributable to that Component Security and (ii) the overall level of the Index, in each case either (a) except where the Index is a Designated Multi-Exchange Index, immediately before the occurrence of such Market Disruption Event or (b) where the Index is a Designated Multi-Exchange Index, using the official opening weightings as published by the Index Sponsor as part of the market “opening data”.

In determining what is "material", the Calculation Agent shall have regard to such circumstances as it deems appropriate, which may include (but are not limited to) the Issuer's hedging arrangements in respect of the Notes.

“**Multiplier**” has the meaning given in the relevant Final Terms;

“**Reference Price**” means, in relation to a Relevant Determination Date, unless the relevant Final Terms provide otherwise:

- (i) where the Notes are specified in the relevant Final Terms to relate to a single Index, an amount equal to the official closing level of the Index as determined by the Calculation Agent (or if a Valuation Time other than the Scheduled Closing Time is specified in the relevant Final Terms, the level of the Index determined by the Calculation Agent at such Valuation Time) on that Relevant Determination Date (as defined below); and
- (ii) where the Notes are specified in the relevant Final Terms to relate to a Basket of Indices, an amount equal to the sum of the values calculated for each Index as the official closing level of each Index as determined by the Calculation Agent (or if a Valuation Time other than the Scheduled Closing Time is specified in the relevant Final Terms, the level of the Index determined by the Calculation Agent at such Valuation Time) on that Relevant Determination Date, multiplied by the relevant Weighting specified in the relevant Final Terms;

“**Related Exchange**” means, in relation to an Index, each exchange or quotation system specified as such for such Index in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where “All Exchanges” is specified as the Related Exchange in the relevant Final Terms, “Related Exchange” shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index;

“**Relevant Determination Date**” means an Averaging Date or a Valuation Date, as the case may be;

“**Scheduled Closing Time**” means, in relation to an Index and an Exchange or Related Exchange and a Scheduled Trading Day for such Index, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

“**Scheduled Trading Day**” means, in relation to an Index:

- (i) where such Index is not specified in the relevant Final Terms as being a Designated Multi-Exchange Index, any day on which each Exchange and each Related Exchange for such Index are scheduled to be open for trading for their respective regular trading sessions; or
- (ii) where such Index is specified in the relevant Final Terms as being a Designated Multi-Exchange Index, (a) any day on which the relevant Index Sponsor is scheduled to publish the level of such Index and (b) each Related Exchange for such Index is scheduled to be open for trading for its regular trading session;

“**Scheduled Valuation Date**” means, in relation to a Valuation Date, any original date that, but for the occurrence of an event causing a Disrupted Day, would have been that Valuation Date;

“**Strike Price**” means:

- (i) the amount specified as such in the relevant Final Terms;
- (ii) where no Initial Averaging Dates are specified in the relevant Final Terms, an amount equal to the Reference Price in relation to the Initial Valuation Date; or
- (iii) where Initial Averaging Dates are specified in the relevant Final Terms, an amount equal to the arithmetic mean of the Reference Prices in relation to each of the Initial Averaging Dates, as determined by the Calculation Agent;

“**Trade Date**” has the meaning given in the relevant Final Terms;

“**Valid Date**” means, in relation to an Index, a Scheduled Trading Day for such Index that is not a Disrupted Day in relation to such Index and on which another Averaging Date does not or is not deemed to occur;

“**Valuation Date**” means the Initial Valuation Date, the Final Valuation Date, any Interest Valuation Date or any other date(s) specified as such in the relevant Final Terms or, if any such date is not a Scheduled Trading Day for all of the Indices, the next following Scheduled Trading Day for all of the Indices unless, in the opinion of the Calculation Agent, such day is a Disrupted Day in relation to any of the Indices. If such day is a Disrupted Day in relation to any of the Indices then:

- (i) where the Notes are specified in the relevant Final Terms to relate to a single Index, that Valuation Date shall be the first succeeding Scheduled Trading Day for the Index that is not a Disrupted Day, unless each of the eight Scheduled Trading Days for the Index immediately following the Scheduled Valuation Date is a Disrupted Day. In that case (a) that eighth Scheduled Trading Day for the Index shall be deemed to be that Valuation Date notwithstanding the fact that such day is a Disrupted Day and (b) the Calculation Agent shall, where practicable, determine the Reference Price in the manner set out in the relevant Final Terms or, if not set out or not so practicable, determine the Reference Price by determining the level of the Index as of the Valuation Time on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted

price as of the Valuation Time on that eighth Scheduled Trading Day of each Component Security comprised in the Index (or if an event giving rise to a Disrupted Day has occurred in respect of the relevant Component Security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant Component Security as of the Valuation Time on that eighth Scheduled Trading Day); or

- (ii) where the Notes are specified in the relevant Final Terms to relate to a Basket of Indices, that Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date and that Valuation Date for each Index affected by the occurrence of a Disrupted Day (each an “**Affected Index**”) shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Index, unless each of the eight Scheduled Trading Days for the Affected Index immediately following the Scheduled Valuation Date is a Disrupted Day relating to that Index. In that case, (a) that eighth Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Index, notwithstanding the fact that such day is a Disrupted Day, and (b) the Calculation Agent shall, where applicable, determine the Reference Price using, in relation to the Affected Index, the level of that Index determined in the manner set out in the relevant Final Terms or, if not set out or if not so practicable, using the level of that Index as of the Valuation Time on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each Component Security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant Component Security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant Component Security as of the Valuation Time on that eighth Scheduled Trading Day);

“**Valuation Time**” means, in relation to an Index:

- (i) where such Index is not specified in the relevant Final Terms as being a Designated Multi-Exchange Index, the Valuation Time specified in the relevant Final Terms or, if no Valuation Time is specified, the Scheduled Closing Time on the Exchange for such Index on the relevant Relevant Determination Date. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time; or
- (ii) where the Index is specified in the relevant Final Terms as being a Designated Multi-Exchange Index, the Valuation Time specified in the relevant Final Terms or, if no Valuation Time is specified, (a) for the purposes of determining whether a Market Disruption Event in respect of such Index has occurred: (A) in respect of a Component Security, the Scheduled Closing Time on the relevant Exchange and (B) in respect of any options contracts or futures contracts on the Index, the close of trading on the relevant Related Exchange, and (b) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor; and

“**Weighting**” means, in relation to an Index, the weighting specified for such Index in the relevant Final Terms.

12.B. Equity-Linked Notes

12.B.1. *Applicability*: This Condition 12.B. is applicable only in relation to Equity-Linked Notes.

12.B.2. *Redemption of Equity-Linked Redemption Notes*: This Condition 12.B.2. is only applicable in relation to Equity-Linked Redemption Notes. Unless previously redeemed, or purchased and

cancelled, each nominal amount of Equity-Linked Redemption Notes equal to the Calculation Amount will be redeemed by the Issuer:

- (i) if “Cash Settlement” is specified in the relevant Final Terms, by payment of the Equity-Linked Redemption Amount on the Maturity Date, subject as provided in Condition 9 (*Payments*); or
- (ii) in the case of Bearer Notes only:
 - (a) if “Physical Delivery” is specified in the relevant Final Terms, by delivery of the Asset Amount on the Maturity Date; or
 - (b) if “Cash Settlement and/or Physical Delivery” is specified in the relevant Final Terms, by payment of the Equity-Linked Redemption Amount, subject as provided in Condition 9 (*Payments*), and/or by delivery of the Asset Amount on the terms set out in the relevant Final Terms, in each case on the Maturity Date,

in each case subject as provided below.

VP Systems Notes may not be subject to Physical Delivery.

12.B.3. *Potential Adjustment Events, Extraordinary Events, Correction of Underlying Equity Prices and Adjustments for Equity-Linked Notes in respect of Underlying Equities quoted in European Currencies:*

- (i) If “Potential Adjustment Events” are specified as applying in the relevant Final Terms, then following the declaration by an Equity Issuer of the terms of any Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting, concentrative or other effect on the theoretical value of the Underlying Equities and, if so, will (a) make the corresponding adjustment, if any, to any one or more of the relevant Interest Amount and/or the Equity-Linked Redemption Amount and/or the Asset Amount and/or the Strike Price and/or the Multiplier and/or the Weightings of the Underlying Equities and/or any of the other terms of these Conditions and/or the relevant Final Terms as the Calculation Agent determines appropriate to account for that diluting, concentrative or other effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Underlying Equity) and (b) determine the effective date of that adjustment. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Underlying Equities traded on that options exchange.

Upon making any such adjustment, the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 18 (*Notices*), stating the adjustment to the relevant Interest Amount and/or Equity-Linked Redemption Amount and/or the Asset Amount, the Strike Price and/or the Multiplier and/or any of the other terms of these Conditions and/or the relevant Final Terms and giving brief details of the Potential Adjustment Event.

- (ii) If “Extraordinary Events” are specified as applying in the relevant Final Terms and an Extraordinary Event occurs, in each case, in relation to an Underlying Equity, the Issuer may:
 - (a) require the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more of the relevant Interest Amount and/or the Equity-Linked Redemption Amount and/or the Asset Amount and/or the Strike Price and/or the Multiplier and/or the Weightings of the Underlying Equities and/or any of the other

terms of these Conditions and/or the relevant Final Terms to account for the relevant Extraordinary Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, (i) in the case of Notes relating to a Basket of Underlying Equities only, the substitution of the Underlying Equity which is the subject of the relevant Extraordinary Event by another underlying equity selected by the Calculation Agent or the removal of such Underlying Equity or (ii) in the case of adjustments following a Merger Event or Tender Offer include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Underlying Equities; or

- (b) give notice to the Holders in accordance with Condition 18 (*Notices*) and redeem all, but not some only, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount together with, if so specified in the relevant Final Terms, accrued interest.

If the provisions of Condition 12.B.3(ii)(a) apply, the Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary Event, made by an options exchange to options on the Underlying Equities traded on that options exchange.

Upon the occurrence (if applicable) of an Extraordinary Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 18 (*Notices*) stating the occurrence of the relevant Extraordinary Event, giving details thereof and the action proposed to be taken in relation thereto.

- (iii) If “Correction of Underlying Equity Prices” is specified as applying in the relevant Final Terms and the price of an Underlying Equity published on a Relevant Determination Date is subsequently corrected and the correction (the “**Corrected Underlying Equity Price**”) is published on the relevant Exchange prior to the Correction Cut-Off Date specified in the relevant Final Terms, then such Corrected Underlying Equity Price shall be deemed to be the closing price for such Underlying Equity for that Relevant Determination Date and the Calculation Agent shall use such Corrected Underlying Equity Price in determining the relevant Interest Amount and/or the Equity-Linked Redemption Amount.
- (iv) In respect of Equity-Linked Notes relating to Underlying Equities originally quoted, listed and/or dealt as of the Trade Date in a currency of a Member State of the European Union that has not adopted the single currency in accordance with the Treaty on the functioning of the European Union, as amended, if such Underlying Equities are at any time after the Trade Date quoted, listed and/or dealt exclusively in euro on the relevant Exchange, then the Calculation Agent will adjust any one or more of the relevant Interest Amount and/or the Equity-Linked Redemption Amount and/or the Asset Amount and/or the Strike Price and/or the Multiplier and/or the Weightings of the Underlying Equities and/or any of the other terms of these Conditions and/or the relevant Final Terms as the Calculation Agent determines to be appropriate to preserve the economic terms of the Notes. The Calculation Agent will make any conversion necessary for the purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this Condition 12.B.3(iv), will affect the currency denomination of any payments in respect of the Notes.

12.B.4. *Physical Delivery*: This Condition 12.B.4., Condition 12.B.5. (*Settlement Disruption Event*) and Condition 12.B.6. (*Failure to Deliver due to Illiquidity*) are applicable only in relation to Bearer Notes. If any such Notes are to be redeemed by delivery of the Asset Amount, in order to obtain delivery of the Asset Amount(s) in respect of any Note:

- (i) if such Note is represented by a Global Note, the relevant Holder must deliver to Euroclear or Clearstream, Luxembourg (as applicable), with a copy to the Issuer, not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice substantially in the form set out in the Agency Agreement (the “**Asset Transfer Notice**”); and
- (ii) if such Note is in definitive form, the relevant Holder must deliver to any Paying Agent, with a copy to the Issuer, not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice.

Forms of the Asset Transfer Notice may be obtained during normal business hours from the Specified Office of any Paying Agent.

An Asset Transfer Notice may only be delivered (i) if such Note is represented by a Global Note, in such manner as is acceptable to Euroclear or Clearstream, Luxembourg, as the case may be, which is expected to be by authenticated SWIFT message or tested telex or (ii) if such Note is in definitive form, in writing.

If this Note is in definitive form, this Note must be delivered together with the duly completed Asset Transfer Notice.

The delivery of the Asset Amount shall be made in the manner specified in the relevant Final Terms or in such other commercially reasonable manner as the Issuer shall determine to be appropriate for such delivery and shall notify to the Holders in accordance with Condition 18 (*Notices*).

All expenses including any applicable depositary charges, transaction or exercise charges, stamp duty, stamp duty reserve tax and/or other taxes or duties (together “**Delivery Expenses**”) arising from the delivery and/or transfer of any Asset Amount shall be for the account of the relevant Holder and no delivery and/or transfer of any Asset Amount shall be made until all Delivery Expenses have been paid to the satisfaction of the Issuer by the relevant Holder.

An Asset Transfer Notice must:

- (a) specify the name and address of the relevant Holder, any account details required for delivery as set out in the relevant Final Terms and the person from whom the Issuer may obtain details for the delivery of the Asset Amount if such delivery is to be made otherwise than in the manner specified in the relevant Final Terms;
- (b) in the case of Notes represented by a Global Note, specify the nominal amount of Notes which are the subject of such notice and the number of the Holder’s account at Euroclear or Clearstream, Luxembourg, as the case may be, to be debited with such Notes and irrevocably instruct and authorise Euroclear or Clearstream, Luxembourg, as the case may be, to debit the relevant Holder’s account with such Notes on or before the Maturity Date;
- (c) include an undertaking to pay all Delivery Expenses and, in the case of Notes represented by a Global Note, an authority to debit a specified account of the Holder at Euroclear or Clearstream, Luxembourg, as the case may be, in respect thereof and to pay such Delivery Expenses;

- (d) specify an account to which any dividends payable pursuant to this Condition 12.B.4. or any other cash amounts specified in the relevant Final Terms as being payable are to be paid; and
- (e) authorise the production of such notice in any applicable administrative or legal proceedings.

No Asset Transfer Notice may be withdrawn after receipt thereof by Euroclear, Clearstream, Luxembourg or a Paying Agent, as the case may be, as provided above. After delivery of an Asset Transfer Notice, the relevant Holder may not transfer the Notes which are the subject of such notice.

In the case of Notes represented by a Global Note, upon receipt of such notice, Euroclear or Clearstream, Luxembourg, as the case may be, shall verify that the person specified therein as the Holder is the holder of the specified nominal amount of Notes according to its books.

Failure properly to complete and deliver an Asset Transfer Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided in these Conditions shall be made, in the case of Notes represented by a Global Note, by Euroclear or Clearstream, Luxembourg, as the case may be, after consultation with the Issuer and shall be conclusive and binding on the Issuer and the relevant Holder and, in the case of Notes in definitive form, by the relevant Paying Agent after consultation with the Issuer, and shall be conclusive and binding on the Issuer and the relevant Holder.

Subject as provided in this Condition, in relation to each Note which is to be redeemed by delivery of the Asset Amount, the Asset Amount will be delivered at the risk of the relevant Holder, in the manner provided above on the Maturity Date (such date, subject to adjustment in accordance with this Condition, the “**Delivery Date**”), provided that the Asset Transfer Notice is duly delivered to Euroclear, Clearstream, Luxembourg or a Paying Agent, as the case may be, with a copy to the Issuer, as provided above, not later than the close of business in each place of receipt on the Cut-Off Date.

If an Asset Transfer Notice is delivered to Euroclear, Clearstream, Luxembourg or a Paying Agent, as the case may be, with a copy to the Issuer, later than the close of business in each place of receipt on the Cut-Off Date, then the Asset Amount will be delivered as soon as practicable after the Maturity Date (in which case, such date of delivery shall be the Delivery Date) at the risk of such Holder in the manner provided above. For the avoidance of doubt, in such circumstances such Holder shall not be entitled to any payment, whether of interest or otherwise, as a result of such Delivery Date falling after the originally designated Delivery Date and no liability in respect thereof shall attach to the Issuer.

12.B.5. *Settlement Disruption Event*: If, prior to the delivery of the Asset Amount in accordance with Condition 12.B.4. (*Physical Delivery – Bearer Notes*), a Settlement Disruption Event is subsisting, then the Delivery Date in respect of such Note shall be postponed until the date on which no Settlement Disruption Event is subsisting and notice thereof shall be given to the relevant Holder, in accordance with Condition 18 (*Notices*). Such Holder shall not be entitled to any payment, whether of interest or otherwise, on such Note as a result of any delay in the delivery of the Asset Amount pursuant to this paragraph. Where delivery of the Asset Amount has been postponed as provided in this paragraph, the Issuer shall not be in breach of these Conditions and no liability in respect thereof shall attach to the Issuer.

For so long as delivery of the Asset Amount in respect of any Note is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect to satisfy its obligations in respect of the relevant Note by payment to the relevant Holder of the Disruption Cash Settlement Price not later than on the third Business Day following the date that the notice of such election (the “**Election Notice**”) is given to the Holders in accordance with Condition 18 (*Notices*). Payment of the Disruption Cash Settlement

Price will be made in such manner as shall be notified to the Holders in accordance with Condition 18 (*Notices*).

For such period of time after the Maturity Date as any Person (other than the relevant Holder) shall continue to be the legal owner of the securities comprising the Asset Amount (the “**Intervening Period**”), neither the Issuer nor any other such Person shall (i) be under any obligation to deliver or procure delivery to the relevant Holder or any subsequent beneficial owner of such Note any letter, certificate, notice, circular or any other document or payment whatsoever received by that Person in its capacity as the legal owner of such securities, (ii) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such Note during the Intervening Period or (iii) be under any liability to the relevant Holder, or any subsequent beneficial owner of such Note in respect of any loss or damage which the relevant Holder, or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of that Person being the legal owner of such securities during such Intervening Period.

Any interest, dividend or other distribution in respect of any Asset Amount will be payable to the party that would receive such interest, dividend or other distribution according to market practice for a sale of the Underlying Equity executed on the Maturity Date and to be delivered in the same manner as the Asset Amount. Any such interest, dividend or other distribution to be paid to a Holder shall be paid to the account specified in the relevant Asset Transfer Notice.

Where the Asset Amount is, in the determination of the Issuer, an amount other than an amount of Relevant Assets capable of being delivered, the Holders will receive an Asset Amount comprising of the nearest number (rounded down) of Relevant Assets capable of being delivered by the Issuer (taking into account that a Holder’s entire holding may be aggregated at the Issuer’s discretion for the purpose of delivering the Asset Amounts), and an amount in the Specified Currency which shall be the value of the amount of the Relevant Assets which have not been delivered, as calculated by the Calculation Agent from such source(s) as it may select (converted if necessary into the Specified Currency by reference to such exchange rate as the Calculation Agent deems appropriate). Payment will be made in such manner as shall be notified to the Holders in accordance with Condition 18 (*Notices*).

12.B.6. *Failure to Deliver due to Illiquidity*: If “Failure to Deliver due to Illiquidity” is specified as applying in the relevant Final Terms and, in the opinion of the Calculation Agent, it is impossible or impracticable to deliver, when due, some or all of the Relevant Assets comprising the Asset Amount (the “**Affected Relevant Assets**”), where such failure to deliver is due to illiquidity in the market for the Relevant Assets (a “**Failure to Deliver**”), then:

- (i) subject as provided elsewhere in these Conditions and/or the relevant Final Terms, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Delivery Date in accordance with Condition 12.B.4.; and
- (ii) in respect of any Affected Relevant Assets, in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect, in lieu of delivery of the Affected Relevant Assets, to pay to the relevant Holder the Failure to Deliver Settlement Price (as defined below) on the fifth Business Day following the date the Failure to Deliver Notice (as defined below) is given to the Holders in accordance with Condition 18 (*Notices*). Payment of the Failure to Deliver Settlement Price will be made in such manner as shall be notified to the Holders in accordance with Condition 18 (*Notices*). The Issuer shall give notice (such notice a “**Failure to Deliver Notice**”) as soon as reasonably practicable to the Holders in accordance with Condition 18 (*Notices*) that the provisions of this Condition 12.B.6 apply.

12.B.7. *Definitions applicable to Equity-Linked Notes:* The following expressions have the following meanings in the context of Equity-Linked Notes only:

“**Affiliate**” means in relation to any entity (the “**First Entity**”), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes “**control**” means ownership of a majority of the voting power of an entity;

“**Asset Amount**” has the meaning given in the relevant Final Terms;

“**Averaging Date**” means each date specified as an Initial Averaging Date or a Final Averaging Date, as the case may be, in the relevant Final Terms or, if any such date is not a Scheduled Trading Day for all of the Underlying Equities, the next following Scheduled Trading Day for all of the Underlying Equities unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day in relation to any of the Underlying Equities. If such day is a Disrupted Day in relation to any of the Underlying Equities, then:

- (i) if “**Omission**” is specified in the relevant Final Terms as applying, then such date will be deemed not to be a relevant Averaging Date for the purposes of determining the Final Redemption Amount provided that, if through the operation of this provision there would not be a relevant Averaging Date, then the provisions of the definition of “**Valuation Date**” will apply for the purposes of determining the relevant level, price or amount on the final Initial Averaging Date or Final Averaging Date, as the case may be, as if such Averaging Date were a Valuation Date that was a Disrupted Day for any of the Underlying Equities;
- (ii) if “**Postponement**” is specified in the relevant Final Terms as applying, then the provisions of the definition of “**Valuation Date**” will apply for purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day for any of the Underlying Equities irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be a relevant Averaging Date; or
- (iii) if “**Modified Postponement**” is specified in the relevant Final Terms as applying:
 - (a) where the Notes relate to a single Underlying Equity, the relevant Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the relevant Averaging Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the relevant Averaging Date (irrespective of whether the eighth Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with subparagraph (i)(b) of the definition of “**Valuation Date**” below; and
 - (b) where the Notes relate to a Basket of Underlying Equities, the Averaging Date for each Underlying Equity not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date and the Averaging Date for an Underlying Equity affected by the occurrence of a Disrupted Day (each an “**Affected Equity**”) shall be the first succeeding Valid Date in relation to the Affected Equity. If the first succeeding Valid Date in relation to the Affected Equity has not occurred as of the Valuation Time on the eighth Scheduled Trading Day for the Affected Equity immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Initial Averaging Date

or Final Averaging Date, as the case may be, then (A) that eighth Scheduled Trading Day shall be deemed to be the relevant Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in relation to such Affected Equity, and (B) the Calculation Agent shall determine the relevant level, price or amount for such Averaging Date in accordance with sub-paragraph (ii)(b) of the definition of “Valuation Date” below;

“**Capped Equity-Linked Redemption Amount**” means the amount (if any) specified in the relevant Final Terms;

“**De-Listing**” means, in respect of any relevant Underlying Equities, the Exchange announces that pursuant to the rules of such Exchange, such Underlying Equities cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any Member State of the European Union);

“**Disruption Cash Settlement Price**” means an amount equal to the fair market value of the relevant Note (but not taking into account any interest accrued on such Note as such interest shall be paid pursuant to Condition 5 and 6) on such day as shall be selected by the Issuer provided that such day is not more than 15 days before the date that the Election Notice is given as provided above adjusted to take account fully for any losses, expenses and costs to the Issuer and/or any Affiliate of the Issuer of unwinding or adjusting any underlying or related hedging arrangements (including but not limited to any options or selling or otherwise realising any Relevant Asset or other instruments of any type whatsoever which the Issuer and/or any of its Affiliates may hold as part of such hedging arrangements), all as calculated by the Calculation Agent;

“**Disrupted Day**” means, in relation to an Underlying Equity, any Scheduled Trading Day for such Underlying Equity on which a relevant Exchange or any Related Exchange for such Underlying Equity fails to open for trading during its regular trading session or on which a Market Disruption Event in respect of such Underlying Equity has occurred.

The Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 18 (*Notices*) of the occurrence of a Disrupted Day on any Relevant Determination Date that, but for the occurrence of a Disrupted Day, would have been a Relevant Determination Date. Without limiting the obligation of the Calculation Agent to give notice to the Holders as set forth in the preceding sentence, failure by the Calculation Agent to notify the Holders of the occurrence of a Disrupted Day shall not affect the validity of the occurrence and effect of such Disrupted Day;

“**Equity Issuer**” means, in relation to an Underlying Equity, the issuer of such Underlying Equity;

“**Equity-Linked Redemption Amount**” means, in relation to an Equity-Linked Redemption Note, the Equity-Linked Redemption Amount specified in the relevant Final Terms or, if the relevant Final Terms specify “Call Equity-Linked Redemption Notes” or “Put Equity-Linked Redemption Notes”, as the case may be, an amount calculated by the Calculation Agent equal to:

(i) in the case of Call Equity-Linked Redemption Notes:

(a) if the Final Price is greater than the Strike Price:

$$\text{Multiplier} \times \left(\left[\frac{\text{Final Price} - \text{Strike Price}}{\text{Strike Price}} \right] + 100 \text{ per cent.} \right) \times \text{Calculation Amount} ; \text{ or}$$

- (b) if the Final Price is equal to or less than the Strike Price:
100 per cent. x Calculation Amount; or
- (ii) in the case of Put Equity-Linked Redemption Notes:
 - (a) if the Final Price is less than the Strike Price:
Multiplier x $\left(\left[\frac{\text{Strike Price} - \text{Final Price}}{\text{Strike Price}} \right] + 100 \text{ per cent.} \right)$ x Calculation Amount ; or
 - (b) if the Final Price is equal to or greater than the Strike Price:
100 per cent. x Calculation Amount,

provided always that the Equity-Linked Redemption Amount shall in no event be (x) less than the greater of zero and the Floored Equity-Linked Redemption Amount (if any) or (y) greater than the Capped Equity-Linked Redemption Amount (if any). The Equity-Linked Redemption Amount will be rounded to the nearest two decimal places (or, in the case of Japanese Yen, the nearest whole unit) in the Specified Currency, 0.005 (or, in the case of Japanese Yen, half of one unit) being rounded upwards;

“Exchange” means, in relation to an Underlying Equity, each exchange or quotation system specified as such for such Underlying Equity in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Underlying Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Underlying Equity on such temporary substitute exchange or quotation system as on the original Exchange);

“Exchange Business Day” means, in relation to an Underlying Equity, any Scheduled Trading Day for such Underlying Equity on which each Exchange and each Related Exchange for such Underlying Equity are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time;

“Extraordinary Event” means, subject as provided in the relevant Final Terms, a De-listing, a Merger Event, a Tender Offer, a Nationalisation or an Insolvency;

“Failure to Deliver Settlement Price” means, in relation to each nominal amount of the Notes equal to the Calculation Amount, the fair market value of the Affected Relevant Assets on the fifth Business Day prior to the date on which the Failure to Deliver Notice is given as provided above, less the proportionate cost to the Issuer and/or its Affiliates of unwinding or adjusting any underlying or related hedging arrangements in respect of the Notes, all as calculated by the Calculation Agent;

“Final Price” means:

- (i) where no Final Averaging Dates are specified in the relevant Final Terms, an amount equal to the Reference Price in relation to the Final Valuation Date; or
- (ii) where Final Averaging Dates are specified in the relevant Final Terms, an amount equal to the arithmetic mean of the Reference Prices in relation to each of the Final Averaging Dates, as determined by the Calculation Agent;

“Final Valuation Date” means the date specified as such in the relevant Final Terms, such date being a “Valuation Date”;

“Floored Equity-Linked Redemption Amount” means the amount (if any) specified in the relevant Final Terms;

“Initial Valuation Date” means the date specified as such in the relevant Final Terms, such date being a “Valuation Date”;

“Interest Valuation Date” means each date specified as such in the relevant Final Terms, each such date being a “Valuation Date”;

“Insolvency” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of, or any analogous proceeding affecting, an Equity Issuer (i) all the Underlying Equities of that Equity Issuer are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Underlying Equities of that Equity Issuer become legally prohibited from transferring them;

“Market Disruption Event” means, in relation to an Underlying Equity:

- (i) the occurrence or existence at any time during the one-hour period that ends at the relevant Valuation Time of:
 - (a) any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise:
 - (A) relating to the Underlying Equity on the Exchange; or
 - (B) in futures or options contracts relating to the Underlying Equity on any relevant Related Exchange; or
 - (b) any event (other than an event described in (ii) below) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (A) to effect transactions in, or obtain market values for, the Underlying Equities on the Exchange, or (B) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Underlying Equity on any relevant Related Exchange; or
- (ii) the closure on any Exchange Business Day of any relevant Exchange(s) or Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one-hour prior to (A) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day or if earlier (B) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day,

which in any such case the Calculation Agent determines is material.

In determining what is "material", the Calculation Agent shall have regard to such circumstances as it deems appropriate, which may include (but are not limited to) the Issuer's hedging arrangements in respect of the Notes.

“**Merger Date**” means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent;

“**Merger Event**” means, in respect of any relevant Underlying Equities, any (i) reclassification or change of such Underlying Equities that results in a transfer of, or an irrevocable commitment to transfer, all such Underlying Equities outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of an Equity Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Equity Issuer is the continuing entity and which does not result in any such reclassification or change of all such Underlying Equities outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Underlying Equities of the Equity Issuer that results in a transfer of or an irrevocable commitment to transfer all such Underlying Equities (other than such Underlying Equities owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Equity Issuer or its subsidiaries with or into another entity in which the Equity Issuer is the continuing entity and which does not result in a reclassification or change of all such Underlying Equities outstanding but results in the outstanding Underlying Equities (other than Underlying Equities owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Underlying Equities immediately following such event, in each case if the Merger Date is on or before the relevant Valuation Date or, if the Notes are to be redeemed by delivery of Underlying Equities, the Maturity Date;

“**Multiplier**” has the meaning given in the relevant Final Terms;

“**Nationalisation**” means that all the Underlying Equities or all or substantially all the assets of an Equity Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof;

“**Potential Adjustment Event**” means any of the following:

- (i) a subdivision, consolidation or reclassification of relevant Underlying Equities (unless resulting in a Merger Event), or a free distribution or dividend of any such Underlying Equities to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of the relevant Underlying Equities of (a) such Underlying Equities or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of an Equity Issuer equally or proportionately with such payments to holders of such Underlying Equities or (c) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Equity Issuer as a result of a spin-off or other similar transaction or (d) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (iii) an extraordinary dividend as determined by the Calculation Agent;
- (iv) a call by an Equity Issuer in respect of relevant Underlying Equities that are not fully paid;
- (v) a repurchase by an Equity Issuer or any of its subsidiaries of relevant Underlying Equities whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of an Equity Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the

capital stock of such Equity Issuer, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

- (vii) any other event that has or may have, in the opinion of the Calculation Agent, a diluting, concentrative or other effect on the theoretical value of the relevant Underlying Equities;

“Reference Price” means, in relation to a Relevant Determination Date, unless the relevant Final Terms provide otherwise:

- (i) where the Notes are specified in the relevant Final Terms to relate to a single Underlying Equity, an amount equal to the official closing price on that Relevant Determination Date (or, if so specified in the relevant Final Terms the price at the Valuation Time on that Relevant Determination Date) of the Underlying Equity quoted on the relevant Exchange for the Underlying Equity as determined by the Calculation Agent; and
- (ii) where the Notes are specified in the relevant Final Terms to relate to a Basket of Underlying Equities, an amount equal to the sum of the values calculated for each Underlying Equity as the official closing price on that Relevant Determination Date (or, if so specified in the relevant Final Terms, the price at the Valuation Time on that Relevant Determination Date) of the Underlying Equity quoted on the relevant Exchange for such Underlying Equity without regard to any subsequently published correction as determined by the Calculation Agent, multiplied by the relevant Weighting specified in the relevant Final Terms. Each value determined pursuant to the foregoing shall be converted, if Exchange Rate is specified as applying in the relevant Final Terms, into the Specified Currency at the Exchange Rate and the sum of such converted amounts shall be the Reference Price;

“Related Exchange” means, in relation to an Underlying Equity, each exchange or quotation system specified as such in relation to such Underlying Equity in the relevant Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Underlying Equity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Underlying Equity on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where “All Exchanges” is specified as the Related Exchange in the relevant Final Terms, “Related Exchange” shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Underlying Equity;

“Relevant Assets” has the meaning given in the relevant Final Terms;

“Relevant Determination Date” means an Averaging Date or a Valuation Date, as the case may be;

“Scheduled Closing Time” means, in relation to an Underlying Equity and an Exchange or Related Exchange and a Scheduled Trading Day for such Underlying Equity, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

“Scheduled Trading Day” means, in relation to an Underlying Equity, any day on which each Exchange and each Related Exchange for such Underlying Equity are scheduled to be open for trading for their respective regular trading sessions;

“**Scheduled Valuation Date**” means, in relation to a Valuation Date, any original date that, but for the occurrence of an event causing a Disrupted Day, would have been that Valuation Date;

“**Settlement Disruption Event**” means an event beyond the control of the Issuer, as a result of which, in the opinion of the Calculation Agent, delivery of the Asset Amount by or on behalf of the Issuer in accordance with these Conditions and/or the relevant Final Terms is not practicable;

“**Strike Price**” means:

- (i) the amount specified as such in the relevant Final Terms;
- (ii) where no Initial Averaging Dates are specified in the relevant Final Terms, an amount equal to the Reference Price in relation to the Initial Valuation Date; or
- (iii) where Initial Averaging Dates are specified in the relevant Final Terms, an amount equal to the arithmetic mean of the Reference Prices in relation to each of the Initial Averaging Dates, as determined by the Calculation Agent;

“**Tender Offer**” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Equity Issuer, as determined by the Calculation Agent, based upon the making of filings with governmental or self regulatory agencies or such other information as the Calculation Agent deems relevant;

“**Trade Date**” has the meaning given in the relevant Final Terms;

“**Underlying Equities**” and “**Underlying Equity**” mean the equity securities or equity security specified as such in the relevant Final Terms and related expressions shall be construed accordingly;

“**Valid Date**” means, in relation to an Underlying Equity, a Scheduled Trading Day for such Underlying Equity that is not a Disrupted Day in relation to such Underlying Equity and on which another Averaging Date does not or is not deemed to occur;

“**Valuation Date**” means the Initial Valuation Date, the Final Valuation Date, any Interest Valuation Date or any other date(s) specified as such in the relevant Final Terms or, if any such date is not a Scheduled Trading Day for all the Underlying Equities, the next following Scheduled Trading Day for all the Underlying Equities unless, in the opinion of the Calculation Agent, such day is a Disrupted Day in relation to any of the Underlying Equities. If such day is a Disrupted Day in relation to any of the Underlying Equities:

- (i) where the Notes are specified in the relevant Final Terms to relate to a single Underlying Equity, that Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day. In that case (a) the eighth Scheduled Trading Day shall be deemed to be that Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (b) the Calculation Agent shall, where practicable, determine the Reference Price in the manner set out in the relevant Final Terms or, if not set out or not so practicable, determine the Reference Price in accordance with its good faith estimate of the Reference Price as of the Valuation Time on that eighth Scheduled Trading Day; or
- (ii) where the Notes are specified in the relevant Final Terms to relate to a Basket of Underlying Equities, that Valuation Date for each Underlying Equity not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date and that Valuation Date for each Underlying Equity affected (each an “**Affected Equity**”) by the occurrence of a Disrupted

Day shall be the first succeeding Scheduled Trading Day for the Affected Equity that is not a Disrupted Day relating to the Affected Equity unless each of the eight Scheduled Trading Days for the Affected Equity immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Equity. In that case (a) that eighth Scheduled Trading Day shall be deemed to be that Valuation Date for the Affected Equity, notwithstanding the fact that such day is a Disrupted Day, and (b) the Calculation Agent shall, where practicable, determine the Reference Price using, in relation to the Affected Equity, a price determined in the manner set out in the relevant Final Terms or, if not set out or if not so practicable, using its good faith estimate of the value for the Affected Equity as of the Valuation Time on that eighth Scheduled Trading Day and otherwise in accordance with the above provisions;

“**Valuation Time**” means, in relation to an Underlying Equity, the Valuation Time specified in the relevant Final Terms or, if no Valuation Time is specified, the Scheduled Closing Time on the relevant Exchange for such Underlying Equity on the Relevant Determination Date. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time; and

“**Weighting**” means, in relation to an Underlying Equity, the weighting specified for such Underlying Equity in the relevant Final Terms.

12.C. Additional Disruption Events (applicable to Index-Linked Notes and Equity-Linked Notes only)

12.C.1. *Additional Disruption Event*: If the Notes are Index-Linked Notes or Equity-Linked Notes and “Additional Disruption Events” are specified as applicable in the relevant Final Terms, then if an Additional Disruption Event occurs, the Issuer may take the action described in (i) or (ii) below:

- (i) require the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more of the relevant Interest Amount and/or the Equity-Linked Redemption Amount and/or the Index-Linked Redemption Amount and/or the Asset Amount and/or the Strike Price and/or the Multiplier and/or the Weightings of the Indices and/or the Weightings of the Underlying Equities and/or any of the other terms of these Conditions and/or the relevant Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or
- (ii) give notice to the Holders in accordance with Condition 18 (*Notices*) and redeem all, but not some only, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount together with, if so specified in the relevant Final Terms, accrued interest.

Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 18 (*Notices*) stating the occurrence of the Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

12.C.2. *Definitions applicable to Additional Disruption Events*: The following expressions have the following meanings in the context of Additional Disruption Events only:

“**Additional Disruption Event**” means any of Change of Law, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Insolvency Filing (applicable only for Equity-Linked Redemption Notes) and/or Loss of Stock Borrow, in each case if specified in the relevant Final Terms as being applicable;

“Change in Law” means that, on or after the Trade Date (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines that (X) it has become illegal to hold, acquire or dispose of any relevant Underlying Equity (in the case of Equity-Linked Notes) or any relevant Component Security comprised in an Index (in the case of Index-Linked Notes) or (Y) the Issuer and/or any of its Affiliates and/or any Hedging Party will incur a materially increased cost in performing its obligations in relation to the Notes and/or any hedging activities of the Issuer and/or any of its Affiliates in respect of the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer and/or any of its Affiliates);

“Hedging Disruption” means that the Issuer and/or any of its Affiliates and/or any Hedging Party is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Notes and/or any hedging activities of the Issuer and/or any of its Affiliates in respect of the Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s);

“Hedging Party” means any party to the Issuer's and/or any of its Affiliates' hedging activities in respect of the Notes.

“Hedging Shares” means the number of Underlying Equities (in the case of Equity-Linked Notes) or Component Securities comprised in an Index (in the case of Index-Linked Notes) that the Issuer deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Notes or any Hedging Party deems necessary to hedge the equity or other price risk of entering into and performing its obligations in respect of any hedging activities of the Issuer and/or any of its Affiliates in respect of the Notes, as the case may be;

“Increased Cost of Hedging” means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging;

“Increased Cost of Stock Borrow” means that the Issuer and/or any of its Affiliates would incur a rate to borrow any Underlying Equity (in the case of Equity-Linked Notes) or any Component Security comprised in an Index (in the case of Index-Linked Notes) that is greater than the Initial Stock Loan Rate;

“Initial Stock Loan Rate” means, in respect of an Underlying Equity (in the case of Equity-Linked Notes) or a Component Security comprised in an Index (in the case of Index-Linked Notes), the Initial Stock Loan Rate specified in relation to such Underlying Equity or Component Security in the relevant Final Terms;

“Insolvency Filing” means that an Equity Issuer institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgement of insolvency or bankruptcy or any other

relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Equity Issuer shall not be deemed an Insolvency Filing;

“**Loss of Stock Borrow**” means that the Issuer and/or any of its Affiliates and/or any Hedging Party is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Underlying Equity (in the case of Equity-Linked Notes) or any Component Securities comprised in an Index (in the case of Index-Linked Notes) in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate; and

“**Maximum Stock Loan Rate**” means, in respect of an Underlying Equity (in the case of Equity-Linked Notes) or a Component Security comprised in an Index (in the case of Index-Linked Notes), the Maximum Stock Loan Rate specified in the relevant Final Terms.

12.D. Currency-Linked Notes

12.D.1. *Applicability*: This Condition 12.D is applicable only in relation to Currency-Linked Notes.

12.D.2. *Redemption of Currency-Linked Redemption Notes*: This Condition 12.D.2 is only applicable in relation to Currency-Linked Redemption Notes. Unless previously redeemed, or purchased and cancelled, each nominal amount of the Notes equal to the Calculation Amount will be redeemed by the Issuer at their Currency-Linked Redemption Amount (as defined below) on the Maturity Date, subject as provided in Condition 9 (*Payments*).

12.D.3. *Definitions applicable to Currency-Linked Notes*: The following expressions have the following meanings in the context of Currency-Linked Notes only:

“**Base Currency**” has the meaning given in the relevant Final Terms;

“**Capped Currency-Linked Redemption Amount**” means the amount (if any) specified in the relevant Final Terms;

“**Currency-Linked Redemption Amount**” means, in relation to a Currency-Linked Redemption Note, the Currency-Linked Redemption Amount specified in the relevant Final Terms or, if the relevant Final Terms specify “Call Currency-Linked Redemption Notes” or “Put Currency-Linked Redemption Notes, as the case may be, an amount calculated by the Calculation Agent equal to:

(i) in the case of Call Currency-Linked Redemption Notes:

(a) if the Final Price is greater than the Strike Price:

$$\text{Multiplier} \times \left(\left[\frac{\text{Final Price} - \text{Strike Price}}{\text{Strike Price}} \right] + 100 \text{ per cent.} \right) \times \text{Calculation Amount}; \text{ or}$$

(b) if the Final Price is equal to or less than the Strike Price:

100 per cent. x Calculation Amount; or

(ii) in the case of Put Currency-Linked Redemption Notes:

(a) if the Final Price is less than the Strike Price:

$$\text{Multiplier} \times \left(\left[\frac{\text{Strike Price} - \text{Final Price}}{\text{Strike Price}} \right] + 100\text{per cent.} \right) \times \text{Calculation Amount}; \text{ or}$$

(b) if the Final Price is equal to or greater than the Strike Price:

100 per cent. x Calculation Amount,

provided always that the Currency-Linked Redemption Amount shall in no event be (x) less than the greater of zero and the Floored Currency-Linked Redemption Amount (if any) or (y) greater than the Capped Currency-Linked Redemption Amount (if any). The Currency-Linked Redemption Amount will be rounded to the nearest two decimal places (or, in the case of Japanese Yen, the nearest whole unit) in the Specified Currency, 0.005 (or, in the case of Japanese Yen, half of one unit) being rounded upwards;

“**Final Price**” means an amount equal to the Reference Price in relation to the Final Valuation Date;

“**Final Valuation Date**” has the meaning given in the relevant Final Terms;

“**Floored Currency-Linked Redemption Amount**” means the amount (if any) specified in the relevant Final Terms;

“**Initial Valuation Date**” has the meaning given in the relevant Final Terms;

“**Interest Valuation Date**” has the meaning given in the relevant Final Terms;

“**Multiplier**” has the meaning given in the relevant Final Terms;

“**Reference Price**” means, in relation to a Relevant Determination Date, unless the relevant Final Terms provide otherwise:

(i) in the case of Notes relating to a single Subject Currency, an amount equal to the spot rate of exchange appearing on the Relevant FX Screen Page at the Relevant Time on that Relevant Determination Date for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Subject Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic average (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Subject Currency/Base Currency exchange rates (expressed as aforesaid) at the Relevant Time on such Relevant Determination Date of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent); and

(ii) in the case of Notes relating to a Basket of Subject Currencies, an amount equal to the sum of the values calculated for each Subject Currency at the spot rate of exchange appearing on the Relevant FX Screen Page at the Relevant Time on that Relevant Determination Date for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), or, if such rate is not available, the arithmetic average (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Subject Currency/Base Currency exchange rates

(expressed as aforesaid) at the Relevant Time on such Relevant Determination Date of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent), multiplied by the relevant Weighting;

“**Relevant FX Screen Page**” has the meaning given in the relevant Final Terms;

“**Relevant Determination Date**” means the Initial Valuation Date, an Interest Valuation Date or the Final Valuation Date, as the case may be;

“**Relevant Time**” has the meaning given in the relevant Final Terms;

“**Strike Price**” means:

- (i) the amount specified in the relevant Final Terms; or
- (ii) an amount equal to the Reference Price in relation to the Initial Valuation Date;

“**Subject Currency**” has the meaning given in the relevant Final Terms; and

“**Weighting**” means, in relation to a Subject Currency, the weighting specified for such Subject Currency in the relevant Final Terms.

12.E. Inflation-Linked Notes

12.E.1. *Applicability*: This Condition 12.E is applicable only in relation to Inflation-Linked Notes.

12.E.2. *Redemption of Inflation-Linked Redemption Notes*: This Condition 12.E.2 is only applicable in relation to Inflation-Linked Redemption Notes. Unless previously redeemed, or purchased and cancelled, each nominal amount of the Notes equal to the Calculation Amount will be redeemed by the Issuer at their Inflation-Linked Redemption Amount (as defined below) on the Maturity Date, subject as provided in Condition 9 (*Payments*).

12.E.3. *Adjustments*:

12.E.3.1. Delay in Publication

- (a) If the Calculation Agent determines, in respect of an Index and a Payment Date, that the level of such Index for a Reference Month which is relevant to the calculation of a payment under the Notes (a “**Relevant Level**”) has not been published or announced by the Relevant Determination Date for such Payment Date, the Calculation Agent shall determine the level of such Index for such Reference Month (a “**Substitute Index Level**”) in place of such Relevant Level by using the following methodology:
 - (i) if applicable, the Calculation Agent will take the same action to determine the Substitute Index Level for the Affected Payment Date as that taken by the calculation agent pursuant to the terms and conditions of any relevant Related Bond; or
 - (ii) if (i) above does not result in a Substitute Index Level for the Affected Payment Date for any reason, then the Calculation Agent shall determine the Substitute Index Level by reference to the following formula:

$$\text{(Substitute Index Level = Base Level x (Latest Level/Reference Level))}$$

or otherwise in accordance with any formula or provisions specified in the relevant Final Terms.

where:

“**Base Level**” means, in respect of an Index, the level of such Index (excluding any "flash" estimates) published or announced by the relevant Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined.

“**Latest Level**” means, in respect of an Index, the latest level of such Index (excluding any "flash" estimates) published or announced by the relevant Index Sponsor prior to the month in respect of which the Substitute Index Level is being determined.

“**Reference Level**” means, in respect of an Index, the level of such Index (excluding any "flash" estimates) published or announced by the relevant Index Sponsor in respect of the month that is 12 calendar months prior to the month referred to in the definition of “Latest Level” above.

The Issuer shall promptly give notice to the Noteholders in accordance with Condition 18 (*Notices*) of any Substitute Index Level.

- (b) If a Relevant Level in respect of a Payment Date is published or announced at any time after the Relevant Determination Date for such Payment Date, such Relevant Level will not be used in any calculations. The Substitute Index Level determined pursuant to Condition 1.1 (a) above (*Delay in Publication*) will be the definitive level for that Reference Month.

12.E.3.2. Cessation of Publication

If the Calculation Agent determines that the level of an Index has not been published or announced for two consecutive months or such other period as is specified in the relevant Final Terms (the “**Period of Cessation of Publication**”) and/or the relevant Index Sponsor announces that it will no longer continue to publish or announce such Index then the Calculation Agent shall determine a successor index (a “**Successor Index**”) (in lieu of the relevant previously applicable Index) for the purposes of the Notes by using the following methodology:

- (i) if at any time (other than after an Inflation Index Cancellation) a successor index has been designated in respect of an Index by the calculation agent pursuant to the terms and conditions of any relevant Related Bond, such successor index shall be designated the “Successor Index” for such Index for the purposes of all subsequent Payment Dates, notwithstanding that any other Successor Index may previously have been determined pursuant to paragraphs (i) or (ii) below;
- (ii) if a Successor Index is not determined pursuant to paragraph (i) above and no Inflation Index Cancellation has occurred and a notice has been given or an announcement has been made by the relevant Index Sponsor specifying that such Index will be superseded by a replacement index specified by the relevant Index Sponsor and the Calculation Agent determines that such replacement Index is calculated and announced using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Index, such replacement index shall be the “Successor Index” for such Index for the purposes of the Notes from the date that such Successor Index comes into effect; or

- (iii) if a Successor Index is not determined pursuant to paragraphs (i) or (i) above by the Relevant Determination Date in respect of the next succeeding Affected Payment Date, the Calculation Agent will determine an appropriate alternative index for such Affected Payment Date and such index will be deemed to be the “Successor Index” for such Index.

If a Successor Index is determined in accordance with the above, the Calculation Agent may make such adjustment(s) to the terms of these Conditions and/or the relevant Final Terms as the Calculation Agent determines necessary or appropriate to account for such replacement and determine the effective date(s) of the adjustment(s) to the Notes.

If the Calculation Agent determines that there is no appropriate alternative index, there will be deemed to be no Successor Index for such Index (an “**Inflation Index Cancellation**”) and, on giving notice to Noteholders in accordance with Condition 18, the Issuer shall redeem all, but not some only, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount together with, if so specified in the relevant Final Terms, accrued interest.

Notice of the determination of a Successor Index and the date from which such index becomes the Successor Index and any relevant adjustment(s) to the terms of these Conditions and/or the relevant Final Terms or any Inflation Index Cancellation will be given to Noteholders by the Issuer in accordance with Condition 18.

12.E.3.3. Revised Index Levels and Manifest Error in Publication

- (a) In relation to an Index, either (i) the first publication and announcement of a level of such Index for a Reference Month shall final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations (“**No Revision**”) or (ii) the first publication or announcement of a level of such Index, or, if revised, any subsequent revisions of such level for a Reference Month shall be final and conclusive, PROVIDED THAT such revisions are published or announced up to and including the relevant Revision Cut-off Date (“**Revision**”), as specified in the relevant Final Terms PROVIDED THAT if neither "No Revision" nor "Revision" is specified in the relevant Final Terms, "No Revision" shall be deemed to apply for such Index.
- (b) If, in respect of a Payment Date and a Relevant Level in respect of such Payment Date, the Calculation Agent determines that the relevant Index Sponsor has corrected such Relevant Level to remedy a manifest error in its original publication, prior to the earlier of thirty days following publication of such Relevant Level and the Manifest Error Cut-off Date for such Payment Date the Calculation Agent may use such corrected Relevant Level to calculate any payments under the Notes in respect of such Payment Date. Corrections published on or after the earlier of thirty days following publication of such Relevant Level and the Manifest Error Cut-off Date for such Payment Date will be disregarded by the Calculation Agent for the purposes of determining any payments under the Notes.

12.E.3.4. Rebasing

If the Calculation Agent determines that an Index has been or will be rebased at any time, such Index as so rebased (the “**Rebased Index**”) will be used for purposes of determining any Relevant Level in respect of such Index from the date of such rebasing; provided, however, that the Calculation Agent shall make (A) such adjustments as are made by the calculation agent pursuant to the terms and conditions of any relevant Related Bond to the levels of such Rebased Index so that such Rebased Index levels reflect the same rate of inflation as the Index before it

was rebased and/or (B) if there is no Related Bond, the Calculation Agent shall make such adjustments to the levels of such Rebased Index so that such Rebased Index levels reflect the same rate of inflation as the relevant Index before it was rebased and, in each case, the Issuer may make such adjustment(s) to the terms of these Conditions and/or the relevant Final Terms as the Calculation Agent determines necessary or appropriate to account for such rebasing and determine the effective date of the adjustment(s) to the Notes.

Notice of any adjustment, early redemption or determination pursuant to this Condition shall be given to Noteholders in accordance with Condition 18.

12.E.3.5. Material Modification Prior to Payment Date

If, on or prior to the Relevant Determination Date in respect of any Payment Date, an Index Sponsor announces that it will make a material change to an Index, the Calculation Agent shall (A) make appropriate adjustment(s) to the terms of these Conditions and/or the relevant Final Terms, consistent with any adjustments made to any relevant Related Bond as the Calculation Agent determines necessary or appropriate to account for such change to such Index and determine the effective date(s) of the adjustment(s) to the Notes, or (B) if there is no relevant Related Bond make only those adjustments to the Conditions and/or the relevant Final Terms as the Calculation Agent determines necessary for the modified Index to continue as an Index.

Notice of any adjustment, early redemption or determination pursuant to this Condition shall be given to Noteholders in accordance with Condition 18.

12.E.4. *Definitions applicable to Inflation-Linked Notes:* The following expressions have the following meanings in the context of Inflation-Linked Notes only:

“**Affected Payment Date**” means each Payment Date in respect of which an Index has not been published or announced.

“**Capped Inflation-Linked Redemption Amount**” means the amount (if any) specified in the relevant Final Terms.

“**End Date**” means, in respect of a Fallback Bond, the date specified for such Fallback Bond in the relevant Final Terms.

“**Fallback Bond**” means, in respect of an Index, a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the relevant Index relates and which pays a coupon or redemption amount which is calculated by reference to such Index, with a maturity date which falls on (a) the same day as the End Date as specified in the relevant Final Terms, (b) the next longest maturity after the End Date if there is no such bond maturing on the End Date, or (c) the next shortest maturity before the End Date if no bond defined in (a) or (b) is selected by the Calculation Agent. If the relevant Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond redeems, the Calculation Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

“**Index**” or “**Indices**” means the index or indices specified in the relevant Final Terms or any Successor Index as nominated pursuant to these Inflation Linked Conditions.

“**Index Sponsor**” means, in relation to an Index, the entity that publishes or announces (directly or through an agent) the level of such Index.

“**Inflation-Linked Redemption Amount**” means, in relation to an Inflation-Linked Redemption Note, the Inflation-Linked Redemption Amount specified in the relevant Final Terms provided always that the Inflation-Linked Redemption Amount shall in no event be (x) less than the greater of zero and the Floored Inflation-Linked Redemption Amount (if any) or (y) greater than the Capped Inflation-Linked Redemption Amount. The Inflation-Linked Redemption Amount will be rounded to the nearest two decimal places (or, in the case of Japanese Yen, the nearest whole unit) in the Specified Currency, 0.005 (or, in the case of Japanese Yen, half of one unit) being rounded upwards;

“**Floored Inflation-Linked Redemption Amount**” means the amount (if any) specified in the relevant Final Terms.

“**Manifest Error Cut-off Date**” means, in respect of a Payment Date, two Business Days prior to such Payment Date, unless otherwise specified in the relevant Final Terms.

“**Payment Date**” means each date specified as such in the relevant Final Terms or if none is so specified, each Interest Payment Date (if any) and/or the Maturity Date, as the case may be.

“**Reference Month**” means, in respect of an Index, the calendar month for which the level of such Index was reported, regardless of when this information is published or announced. If the period for which the Index level was reported is a period other than a month, the Reference Month shall be the period for which the Index level was reported.

“**Related Bond**” means, in respect of an Index, the bond specified as such in the relevant Final Terms or, if no bond is so specified, the Fallback Bond. If the relevant Related Bond specified in the relevant Final Terms is "Fallback Bond", then, for any Related Bond determination, the Calculation Agent shall use the Fallback Bond. If "Related Bond: Not Applicable" or no Related Bond is specified in the relevant Final Terms and "Fallback Bond: Not Applicable" is specified in the relevant Final Terms there will be no Related Bond. If a bond is selected as the Related Bond in the relevant Final Terms and that bond redeems or matures before the relevant End Date, unless "Fallback Bond: Not Applicable" is specified in the relevant Final Terms, the Calculation Agent shall use the Fallback Bond for any Related Bond determination.

“**Relevant Determination Date**” means, in respect of a Payment Date, the day that is five Business Days prior to such Payment Date, unless otherwise stated in the relevant Final Terms.

“**Revision Cut-off Date**” means, in respect of an Index and a level of such Index for a Reference Month, the day that is two Business Days prior to any relevant Payment Date or such other cut-off date as is specified in the relevant Final Terms.

12.F. Commodity-Linked Notes

12.F.1. *Applicability*: This Condition 12.F. is applicable only in relation to Commodity-Linked Notes.

12.F.2. *Redemption of Commodity-Linked Redemption Notes*: This Condition 12.F.2 is only applicable in relation to Commodity-Linked Redemption Notes. Unless previously redeemed, or purchased and cancelled, each nominal amount of the Notes equal to the Calculation Amount will be redeemed by the Issuer at their Commodity-Linked Redemption Amount (as defined below) on the Maturity Date, subject as provided in Condition 9 (*Payments*).

12.F.3. *Market Disruption, Disruption Fallbacks:*

(i) *Market Disruption:*

“**Market Disruption Event**” means an event that, if applicable to the Notes, would give rise, in accordance with an applicable Disruption Fallback, to an alternative basis for determining the Relevant Price in respect of a specified Commodity Reference Price or the cancellation of the Notes, in each case, were the event to occur or exist on a day that is a Relevant Determination Date (or, if different, the day on which prices for that Relevant Determination Date would, in the ordinary course, be published or announced by the relevant Price Source).

Each of "Price Source Disruption", "Trading Disruption", "Disappearance of Commodity Reference Price", "Material Change in Formula", "Material Change in Content", "Tax Disruption" and "Additional Market Disruption Event" as specified in the relevant Final Terms or as deemed to be specified pursuant to Condition 12.F.3(ii) below shall be a Market Disruption Event.

(ii) *Deemed Market Disruption Events:*

If no Market Disruption Events other than Additional Market Disruption Events (if any) are specified in the relevant Final Terms, the following Market Disruption Events will be deemed to have been specified in addition to any such Additional Market Disruption Events:

- (a) in respect of a Commodity other than a Commodity which is specified in the applicable Final Terms to be a Bullion Commodity (A) "Price Source Disruption", (B) "Trading Disruption", (C) "Disappearance of Commodity Reference Price", (D) "Material Change in Formula" and (E) "Material Change in Content"; and
- (b) in respect of a Commodity which is specified in the applicable Final Terms to be a Bullion Commodity, (A) "Price Source Disruption", (B) "Trading Disruption" and (C) "Disappearance of Commodity Reference Price".

(iii) *Consequences of Market Disruption Events:* If the Calculation Agent determines that a Market Disruption Event applicable to the Notes has occurred or exists on a day that is a Relevant Determination Date (or, if different, the day on which prices for that Relevant Determination Date would, in the ordinary course, be published or announced by the relevant Price Source), the Relevant Price for that Relevant Determination Date will be determined in accordance with the first applicable Disruption Fallback (applied in accordance with its terms) that provides the Relevant Price or, if there is no such Relevant Price, the first applicable Disruption Fallback that provides for the cancellation of the Notes in accordance with Condition 12.F.3(vi) below.

(iv) *Disruption Fallbacks:*

“**Disruption Fallback**” means the source or method that, if applicable to the Notes, may give rise to an alternative basis for determining the Relevant Price in respect of a specified Commodity Reference Price or the cancellation of the Notes when a Market Disruption Event occurs or exists on a day that is a Relevant Determination Date (or, if different, the day on which prices for that Relevant Determination Date would, in the ordinary course, be published or announced by the relevant Price Source).

Each of "Fallback Reference Dealers", "Fallback Reference Price", "Cancellation", "Postponement", "Calculation Agent Determination" and "Delayed Publication or Announcement" or such other events as specified in the applicable Final Terms or as deemed

to be specified pursuant to Condition 2(b) of the Commodity Linked Conditions below, shall be a Disruption Fallback.

(v) *Deemed Disruption Fallbacks:*

If no Disruption Fallbacks are specified in the applicable Final Terms, the following Disruption Fallbacks will be deemed to have been specified (in the following order): (A) "Fallback Reference Price" (if an alternate Commodity Reference Price is specified in the relevant Final Terms), (B) "Delayed Publication or Announcement" and "Postponement" (each to operate concurrently with the other and each subject to two Commodity Business Days as the applicable Maximum Days of Disruption PROVIDED THAT the price determined by "Postponement" shall be the Relevant Price only if "Delayed Publication or Announcement" does not yield a Relevant Price within the Maximum Days of Disruption), (C) "Calculation Agent Determination" and (D) "Cancellation".

(vi) *Cancellation:*

If the applicable Disruption Fallback is "Cancellation" or if a Market Disruption Event occurs or exists on a day that would otherwise be a Relevant Determination Date (or, if different, the day on which prices for that Relevant Determination Date would, in the ordinary course, be published or announced by the relevant Price Source) and none of the applicable prior Disruption Fallbacks provides the parties with a Relevant Price, on giving notice to Holders in accordance with Condition 18 (*Notices*), the Issuer will redeem all, but not some only, of the Notes, each nominal amount of Notes equal to the Calculation Amount being redeemed at the Early Redemption Amount together with, if so specified in the relevant Final Terms, accrued interest.

(vii) *Correction of Published Prices:*

If "Correction of Commodity Reference Prices" is specified as applying in the relevant Final Terms and the price of a Commodity published on any Relevant Determination Date and which is utilised for any calculation or determination made in respect of the Notes is subsequently corrected and the correction (the "**Corrected Commodity Reference Price**") is published or announced by the person responsible for that publication or announcement prior to the Correction Cut-Off Date specified in the relevant Final Terms, then such Corrected Commodity Reference Price shall be deemed to be the price for such Commodity for such Relevant Determination Date and the Calculation Agent shall use such Corrected Commodity Reference Price in determining the relevant Interest Amount and/or Commodity-Linked Redemption Amount.

(viii) Upon the occurrence of a Market Disruption Event, the Issuer shall give notice as soon as practicable to Holders in accordance with Condition 18 (*Notices*). Without limiting the obligation of the Issuer to give notice to the Holders as set forth in the preceding sentence, failure by the Issuer to notify the Holders of the occurrence of a Market Disruption Event shall not affect the validity of the occurrence and effect of such Market Disruption Event.

12.F.4. *Commodity-Linked Notes linked to a Commodity Index or a basket of Commodity Indices*

If a Commodity is specified in the relevant Final Terms to be a "Commodity Index" and this Condition 12.F.4 is specified in the relevant Final Terms as being applicable, the provisions of Condition 12.A.3(i), 12.A.3(ii) and 12.A.3(iv) and/or Condition 12.C (as specified in the relevant Final Terms) shall also apply to the Notes.

For the purposes thereof:

- (i) the relevant Commodity shall be deemed to be an Index; and
- (ii) “Index Sponsor” and “Component Security” shall be as defined in Condition 12.A.4.

12.F.5. Definitions applicable to Commodity-Linked Notes: The following expressions have the following meanings in the context of Commodity-Linked Notes only:

“**Additional Market Disruption Event**” has the meaning given in the relevant Final Terms;

“**Averaging Date**” means each date specified as an Initial Averaging Date or a Final Averaging Date, as the case may be, in the relevant Final Terms, adjusted in accordance with the Commodity Business Day Convention specified in the relevant Final Terms;

“**Bullion Commodity**” means each Commodity specified as such in the relevant Final Terms;

“**Capped Commodity-Linked Redemption Amount**” means the amount (if any) specified in the relevant Final Terms;

“**Calculation Agent Determination**” means that the Calculation Agent will determine the Relevant Price (or method for determining a Relevant Price), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that it deems relevant. If the Calculation Agent determines that it cannot so determine the Relevant Price (or method for determining a Relevant Price), the next Disruption Fallback specified or deemed to be specified in the relevant Final Terms will apply;

“**Cancellation**” means that the Notes will be redeemed early in accordance with the provisions of Condition 12.F.3(vi) above;

“**Commodity**” means the commodity (or commodities) specified in relevant Final Terms;

“**Commodity Business Day**” means:

- (a) in respect of a Commodity (other than a Commodity which is specified in the applicable Final Terms to be a Bullion Commodity):
 - (i) where the Commodity Reference Price for such Commodity is a price announced or published by an Exchange, any day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which that Exchange is open for trading during its regular trading session, notwithstanding that Exchange closing prior to its scheduled closing time; and
 - (ii) where the Commodity Reference Price for such Commodity is not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or, but for the occurrence of a Market Disruption Event, would have published) a price; and
- (b) in respect of a Commodity which is specified in the applicable Final Terms to be a Bullion Commodity, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and New York City or as otherwise specified in the applicable Final Terms;

“**Commodity Business Day Convention**” means the convention for adjusting any relevant date if it would otherwise fall on a day that is not a Commodity Business Day. The following terms, when

used in conjunction with the term "Commodity Business Day Convention" and a date, will mean that an adjustment will be made if that date would otherwise fall on a day that is not a Commodity Business Day so that:

- (a) if "Following" is specified, that date will be the first following day that is a Commodity Business Day;
- (b) if "Modified Following" or "Modified" is specified, that date will be the first following day that is a Commodity Business Day, unless that day falls in the next calendar month, in which case, that date will be the first preceding day that is a Commodity Business Day;
- (c) if "Nearest" is specified, that date will be the first preceding day that is a Commodity Business Day if the relevant date otherwise falls on a day other than a Sunday or a Monday and will be the first following day that is a Commodity Business Day if the relevant date otherwise falls on a Sunday or a Monday; and
- (d) if "Preceding" is specified, that date will be the first preceding day that is a Commodity Business Day;

“Commodity-Linked Redemption Amount” means, in relation to a Commodity-Linked Redemption Note, the Commodity-Linked Redemption Amount specified in the relevant Final Terms or, if the relevant Final Terms specify “Call Commodity-Linked Redemption Notes” or “Put Commodity-Linked Redemption Notes”, as the case may be, an amount equal to:

- (i) in the case of Call Commodity-Linked Redemption Notes:

- (a) if the Final Price is greater than the Strike Price:

$$\text{Multiplier} \times \left(\left[\frac{\text{Final Price} - \text{Strike Price}}{\text{Strike Price}} \right] + 100 \text{ per cent.} \right) \times \text{Calculation Amount} ; \text{ or}$$

- (b) if the Final Price is equal to or less than the Strike Price:

$$100 \text{ per cent.} \times \text{Calculation Amount}; \text{ or}$$

- (ii) in the case of Put Commodity-Linked Redemption Notes:

- (a) if the Final Price is less than the Strike Price:

$$\text{Multiplier} \times \left(\left[\frac{\text{Strike Price} - \text{Final Price}}{\text{Strike Price}} \right] + 100 \text{ per cent.} \right) \times \text{Calculation Amount} ; \text{ or}$$

- (b) if the Final Price is equal to or greater than the Strike Price:

$$100 \text{ per cent.} \times \text{Calculation Amount},$$

provided always that the Commodity-Linked Redemption Amount shall in no event be (x) less than the greater of zero and the Floored Commodity-Linked Redemption Amount (if any) or (y) greater than the Capped Commodity-Linked Redemption Amount (if any). The Commodity-Linked Redemption Amount will be rounded to the nearest unit in the Specified Currency, 0.5 being rounded upwards. For these purposes, “unit” means the lowest amount of such currency which is available as legal tender in the country of such currency;

“**Commodity-Reference Dealers**” means, in respect of a Commodity, that the price for a Relevant Determination Date will be determined on the basis of quotations provided by Reference Dealers for that Relevant Determination Date of that day's Specified Price for a Unit of such Commodity for delivery on the Delivery Date, if applicable. If four quotations are provided as requested, the price for that Relevant Determination Date will be the arithmetic mean of the Specified Prices for such Commodity provided by each Reference Dealer, without regard to the Specified Prices having the highest and lowest values. If exactly three quotations are provided as requested, the price for that Relevant Determination Date will be the Specified Price provided by the relevant Reference Dealer that remains after disregarding the Specified Prices having the highest and lowest values. For this purpose, if more than one quotation has the same highest or lowest value, then the Specified Price of one of such quotations shall be disregarded. If fewer than three quotations are provided, it will be deemed that the price for the Relevant Determination Date cannot be determined. In that case, the next Disruption Fallback specified or deemed to be specified in the relevant Final Terms will apply;

“**Commodity Reference Price**” means, in respect of any Commodity and for the purposes of determining a Relevant Price, the relevant commodity reference price for such Commodity specified in the applicable Final Terms;

“**Common Pricing**” means, with respect to Notes linked to two or more Commodities and the related Commodity Reference Prices, if "Common Pricing" is specified as "Applicable" in the relevant Final Terms, then no date will be a Relevant Determination Date unless such date is a day for which all referenced Commodity Reference Prices (for which such date would otherwise be a Relevant Determination Date) are scheduled to be published or announced, as determined on the Trade Date of the Notes (any such date a “**Scheduled Relevant Determination Date**”). For the avoidance of doubt, if a Market Disruption Event occurs in respect of any Commodity Reference Price (the “**Affected Commodity Reference Price**”) on any such Scheduled Relevant Determination Date, the relevant Disruption Fallbacks will apply in respect of the Affected Commodity Reference Price only;

“**Delayed Publication or Announcement**” means that the Relevant Price for a Relevant Determination Date will be determined based on the Specified Price in respect of the original day scheduled as such Relevant Determination Date that is published or announced by the relevant Price Source retrospectively on the first succeeding Commodity Business Day on which the Market Disruption Event ceases to exist, unless that Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Relevant Determination Date) or the Relevant Price continues to be unavailable for consecutive Commodity Business Days equal in number to the Maximum Days of Disruption. In that case, the next Disruption Fallback specified or deemed to be specified in the relevant Final Terms will apply;

“**Delivery Date**” means, in respect of a Commodity Reference Price, the relevant date or month for delivery of the underlying Commodity (which must be a date or month reported or capable of being determined from information reported in or by the relevant Price Source) as follows:

- (a) if a date is, or a month and year are, specified in the relevant Final Terms, that date or that month and year;
- (b) if a Nearby Month is specified in the relevant Final Terms, the month of expiration of the relevant Futures Contract; and
- (c) if a method is specified in the relevant Final Terms for the purpose of determining the Delivery Date, the date or the month and year determined pursuant to that method;

“**Disappearance of Commodity Reference Price**” means (A) the permanent discontinuation of trading, in the relevant Futures Contract on the relevant Exchange or (B) the disappearance of, or of

trading in, the relevant Commodity or (C) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or the relevant Commodity;

“**Exchange**” means, in relation to a Commodity, each exchange or principal trading market for such Commodity specified in the relevant Final Terms or any successor to such exchange or principal trading market;

“**Fallback Reference Dealers**” means, if an alternate Commodity Reference Price is specified in the relevant Final Terms, that the Relevant Price will be determined in accordance with Commodity Reference Price, "Commodity-Reference Dealers";

“**Fallback Reference Price**” means that the Calculation Agent will determine the Relevant Price based on the price for that Relevant Determination Date of the first alternate Commodity Reference Price, if any, specified in the relevant Final Terms and not subject to a Market Disruption Event;

“**Final Price**” means:

- (i) where no Final Averaging Dates are specified in the relevant Final Terms, an amount equal to the Reference Price in relation to the Final Valuation Date; or
- (ii) where Final Averaging Dates are specified in the relevant Final Terms, an amount equal to the arithmetic mean of the Reference Prices in relation to each of the Final Averaging Dates, as determined by the Calculation Agent;

“**Final Valuation Date**” means the date specified as such in the relevant Final Terms, such date being a “Valuation Date”;

“**Floored Commodity-Linked Redemption Amount**” means the amount (if any) specified in the relevant Final Terms;

“**Futures Contract**” means, in respect of a Commodity Reference Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Commodity referred to in that Commodity Reference Price;

“**Initial Valuation Date**” means the date specified as such in the relevant Final Terms, such date being a “Valuation Date”;

“**Interest Valuation Date**” means each date specified as such in the relevant Final Terms, each such date being a “Valuation Date”;

“**Material Change in Content**” means the occurrence since the Trade Date of a material change in the content, composition or constitution of the relevant Commodity or the relevant Futures Contract;

“**Material Change in Formula**” means the occurrence since the Trade Date of a material change in the formula for or the method of calculating the relevant Commodity Reference Price;

“**Maximum Days of Disruption**” means the number of Commodity Business Days specified in the relevant Final Terms or, if no such number is so specified, five Commodity Business Days;

“**Multiplier**” has the meaning given in the relevant Final Terms;

“**Nearby Month**” when preceded by a numerical adjective, means, in respect of a Delivery Date and a Relevant Determination Date, the month of expiration of the Futures Contract identified by that numerical adjective, so that, for example, (A) "First Nearby Month" means the month of expiration

of the first Futures Contract to expire following that Relevant Determination Date and (B) "Second Nearby Month" means the month of expiration of the second Futures Contract to expire following that Relevant Determination Date etc.;

"Postponement" means, in respect of a Relevant Determination Date, that such Relevant Determination Date will be deemed, for purposes of the application of this Disruption Fallback only, to be the first succeeding Commodity Business Day on which the Market Disruption Event ceases to exist, unless that Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been such Relevant Determination Date) for consecutive Commodity Business Days equal in number to the Maximum Days of Disruption. In that case, the next Disruption Fallback specified or deemed to be specified in the relevant Final Terms will apply;

"Price Materiality Percentage" has the meaning given in the relevant Final Terms;

"Price Source" means the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) specified in the relevant Final Terms or any successor;

"Price Source Disruption" means (A) the failure of the relevant Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price, (B) the temporary or permanent discontinuance or unavailability of the relevant Price Source, (C) if a Commodity Reference Price is "Commodity-Reference Dealers", the failure to obtain at least three quotations as requested from the relevant Reference Dealers or (D) if a Price Materiality Percentage is specified in the relevant Final Terms, the Specified Price for the relevant Commodity Reference Price differs from the Specified Price determined in accordance with the Commodity Reference Price "Commodity Reference Dealers" by such Price Materiality Percentage;

"Reference Dealers" means the four dealers specified in the relevant Final Terms or, if four dealers are not so specified, four leading dealers in the relevant market selected by the Calculation Agent;

"Reference Price" means, in relation to a Relevant Determination Date, unless the relevant Final Terms provide otherwise:

- (i) where the Notes are specified in the relevant Final Terms to relate to a single Commodity, an amount equal to the Relevant Price as determined by the Calculation Agent for that Relevant Determination Date; and
- (ii) where the Notes are specified in the relevant Final Terms to relate to a Basket of Commodities, an amount equal to the sum of the values calculated for each Commodity as the Relevant Price of each Commodity as determined by the Calculation Agent for that Relevant Determination Date, multiplied by the relevant Weighting specified in the relevant Final Terms;

"Relevant Determination Date" means an Averaging Date or a Valuation Date, as the case may be;

"Relevant Price" means, in respect of a Commodity and a Relevant Determination Date, the price, expressed as a price per Unit, determined with respect to that day for the relevant Commodity Reference Price;

"Specified Price" means, in respect of a Commodity Reference Price, the price (which must be a price reported in or by, or capable of being determined from information reported in or by, the relevant Price Source) specified in the relevant Final Terms (and, if applicable, as of the time so specified);

“**Strike Price**” means:

- (i) the amount specified as such in the relevant Final Terms; or
- (ii) where no Initial Averaging Dates are specified in the relevant Final Terms, an amount equal to the Reference Price in relation to the Initial Valuation Date; or
- (iii) where Initial Averaging Dates are specified in the relevant Final Terms, an amount equal to the arithmetic mean of the Reference Prices in relation to each of the Initial Averaging Dates, as determined by the Calculation Agent;

“**Tax Disruption**” means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, the relevant Commodity (other than a tax on, or measured by reference to overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the Relevant Price on the day that would otherwise be a Relevant Determination Date from what it would have been without that imposition, change or removal;

“**Trade Date**” has the meaning given in the relevant Final Terms;

“**Trading Disruption**” means the material suspension of, or the material limitation imposed on, trading in the relevant Futures Contract or the relevant Commodity on the relevant Exchange or in any additional futures contract, options contract or commodity on any relevant Exchange as specified in the applicable Final Terms. For these purposes:

- (a) a suspension of the trading in the relevant Futures Contract or the relevant Commodity on any Commodity Business Day shall be deemed to be material only if:
 - (i) all trading in the relevant Futures Contract or the relevant Commodity is suspended for an entire Relevant Determination Date; or
 - (ii) all trading in the relevant Futures Contract or the relevant Commodity is suspended subsequent to the opening of trading on a Relevant Determination Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or Commodity on such Relevant Determination Date and such suspension is announced less than one hour preceding its commencement; and
- (b) a limitation of trading in the relevant Futures Contract or the relevant Commodity on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the relevant Futures Contract or the relevant Commodity may fluctuate and the closing or settlement price of the relevant Futures Contract or the relevant Commodity on such day is at the upper or lower limit of that range;

“**Unit**” means, in respect of a Commodity, the unit of measure of such Commodity, as specified in the relevant Commodity Reference Price or the relevant Final Terms, as the case may be;

“**Valuation Date**” means the Initial Valuation Date, the Final Valuation Date, any Interest Valuation Date or any other date(s) specified as such in the relevant Final Terms, adjusted in accordance with the applicable Commodity Business Day Convention; and

“**Weighting**” means, in relation to a Commodity, the weighting specified for such Commodity in the relevant Final Terms.

13. Prescription

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

Claims against the Issuer for delivery of any Asset Amount shall become void unless made within one year of the date on which the relevant Asset Amount becomes deliverable.

14. Replacement of Notes and Coupons

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Offices of the Fiscal Agent (and, if the Notes are then admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Paying Agent having its Specified Office in the place required by such listing authority, stock exchange and/or quotation system), subject to all applicable laws and listing authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

15. Agents, Discretions and Determinations

15.1. *Obligations of Agents:* In acting under the Agency Agreement or the VP Systems Agency Agreement and in connection with the Notes and the Coupons, each of the Paying Agents, the Calculation Agent and each VP Systems Agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the Holders or Couponholders, and each of them shall only be responsible for the performance of the duties and obligations expressly imposed upon it in the Agency Agreement, the VP Systems Agency Agreement or other agreement entered into with respect to its appointment or incidental thereto.

15.2. *Termination of Appointments:* The initial Paying Agents and the VP Systems Agents and their initial Specified Offices are listed in the Agency Agreement or the VP Systems Agency Agreement, as applicable. The Calculation Agent in respect of any Notes shall be specified in the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Fiscal Agent) or any VP Systems Agent or the Calculation Agent and to appoint an additional or successor fiscal agent, paying agent, calculation agent or agent in connection with the Notes; provided, however, that:

- (i) the Issuer shall at all times maintain a Fiscal Agent;
- (ii) the Issuer shall at all times maintain a Paying Agent (which may be the Fiscal Agent) with a Specified Office in a continental European city;
- (iii) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent;
- (iv) if and for so long as the Notes are admitted to listing on any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent (which may be the Fiscal Agent) with a Specified Office in the place required by such listing authority, stock exchange and/or quotation system;
- (v) in the case of VP Systems Notes, the Issuer shall at all times maintain a VP Systems Agent authorised to act as an account holding institution with the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be; and

(vi) in the circumstances described in Condition 9.8 (*Payments in New York City*), a Paying Agent with a Specified Office in New York City.

15.3. *Change of Specified Offices*: The Paying Agents, the VP Systems Agents and the Calculation Agent reserve the right at any time to change their respective Specified Offices to some other Specified Office provided that (in the case of the Paying Agents only) such specified office shall be in the same city. Notice of any change in the identities or Specified Offices of any Paying Agent, the VP Systems Agents or the Calculation Agent shall promptly be given to the Holders in accordance with Condition 18 (*Notices*).

15.4. *Discretions and Determinations*: All discretions exercised and calculations and determinations made in respect of the Notes by either the Calculation Agent or the Issuer shall be made in its sole and absolute discretion and in good faith and shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Fiscal Agent, the VP Systems Agents any other Paying Agent, the Noteholders and the Couponholders.

The Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

15.5. *Exercise of Discretion*: In exercising its discretion in respect of the Notes as provided herein, each of the Issuer and the Calculation Agent may take into account such factors as it determines appropriate in each case, which may include in particular any circumstances or events which have or may have a material impact on the hedging arrangements entered into by the Issuer and/or any of its Affiliates (as defined in Condition 12.B.7. (*Equity-Linked Notes – Definitions applicable to Equity-Linked Notes*) notwithstanding that that Condition applies only in respect of Equity-linked Notes) and/or a Hedging Party (as defined in Condition 12.C.2. (*Additional Disruption Events (applicable to Index-Linked Notes and Equity-Linked Notes only – Definitions applicable to Additional Disruption Events)*) notwithstanding that that Condition applies only in respect of Index-Linked Notes and Equity-linked Notes) in respect of the Notes. The exercise of the Issuer's and/or the Calculation Agent's discretion in respect of the Notes as provided herein are necessary because certain circumstances or events (for example a material modification or disruption to the underlying asset or reference basis to which the Notes are linked) may occur subsequent to the issuance of the Notes which may materially affect the costs to the Issuer and/or any of its Affiliates and/or a Hedging Party of maintaining the relevant Notes or relevant hedging arrangements. Such circumstances or events may not have been reflected in the pricing of the Notes. In addition, as a result of certain circumstances or events (e.g. unavailability or material disruption to any reference source) it may no longer be reasonably practicable or otherwise appropriate for certain valuations in respect of the underlying asset or otherwise in connection with the Notes to be made on this basis, and thus making it necessary for the Issuer and/or the Calculation Agent to exercise its discretion in such a case. Such hedging arrangements may be carried out on a portfolio basis (i.e. where the Hedging Party maintains arrangements for hedging the Notes together with other obligations of the Issuer or its Affiliates). As used herein, **hedging arrangements** means the arrangements, if any, the Issuer makes to have available to it the relevant cash amounts or assets to be paid or delivered under the Notes as these fall due. This may involve the Issuer and/or a Hedging Party investing directly in the underlying asset(s) or reference basis to which the Notes are linked. Alternatively, the Issuer and/or a Hedging Party may make an indirect investment by entering into or acquiring a derivative contract referencing the underlying asset(s) or reference basis to which the Notes are linked. The Issuer will select hedging arrangements which are efficient for it in the context of the tax, regulatory and business environment in which it operates. The Issuer and/or a Hedging Party may also adjust hedging arrangements from time to time but will not always be able to avoid adverse costs, taxes or regulatory changes which affect its hedging arrangements. For the avoidance of doubt, the Issuer is under no obligation to enter into any hedging arrangements.

- 15.6. Determination of amounts payable or deliverable: The Calculation Agent will employ the methodology described in these Conditions and/or the applicable Final Terms to determine amounts payable or deliverable in respect of the Notes and Coupons. When making any such determination in relation to any amounts so payable or deliverable, the Calculation Agent may in its sole and absolute discretion consider any relevant information, which may but is not required to include, without limitation, one or more of the following:
- (i) quotations (either firm or indicative) supplied by one or more third parties or information sources;
 - (ii) (information consisting of relevant market data in the relevant markets supplied by one or more third parties or information sources including, without limitation, relevant rates, prices, yields, yield curves, volatilities, spreads correlation or other relevant market data in the relevant market; or
 - (iii) information of the types described in (i) or (ii) above from internal sources (including any Affiliates of the Calculation Agent) or other information of a type used by the Calculation Agent in the regular course of its business or in connection with similar transactions.

Whenever the Calculation Agent is required to make any determination it may, inter alia, decide issues of construction and legal interpretation. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or discretions under the Notes including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion.

- 15.7. Disclaimer of liability: The Calculation Agent makes no express or implied representations or warranties as to (i) the advisability of investing in or obtaining exposure to the Notes, (ii) the value of the Notes at any particular time on any particular date, or (iii) any amounts that may become payable or deliverable in respect of the Notes.

Without limiting any of the foregoing, in no event shall the Calculation Agent have any liability (whether in negligence or otherwise) to any Noteholders for any direct, indirect, special, punitive, consequential or any other damages (including loss of profits) even if notified of the possibility of such damages.

- 15.8. *Conflict of Interest*: In addition to providing calculation agency services to the Issuer, the Calculation Agent or any of its Affiliates may perform further or alternative roles relating to the Issuer and any Series of Notes including, but not limited to, for example, being involved in arrangements relating to any of the underlying reference assets (for example as a calculation agent or, in the case of a proprietary index for example, as index sponsor). Furthermore, the Calculation Agent or any of its Affiliates may contract with the Issuer and/or enter into transactions which relate to the Issuer, the Notes or any of the underlying reference assets and as a result the Calculation Agent may face a conflict between its obligations as Calculation Agent and its and/or its Affiliates' interests in other capacities. Subject to all regulatory obligations, neither the Issuer nor the Calculation Agent in respect of the Notes shall owe any duty or responsibility to any Noteholder to avoid any conflict or to act in the interests of any Noteholder.

16. Meetings of Holders; Modification and Waiver

- 16.1. *Meetings of Holders of Notes other than VP Systems Notes*: This Condition 16.1 is applicable only in relation to Notes other than VP Systems Notes. The Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening meetings of Holders of Notes of any Series (other than VP Systems Notes) to consider matters relating to such Series of Notes, including (without limitation) the modification by Extraordinary Resolution (as defined in the Agency

Agreement) of any provision of these Conditions and the Deed of Covenant insofar as the same may apply to such Notes. Any Extraordinary Resolution duly passed at any such meeting of Holders of Notes of any Series will be binding on all Holders of Notes of such Series, whether present or not at the meeting and on all Holders of Coupons relating to Notes of such Series.

In addition, a resolution in writing signed by or on behalf of all Holders who for the time being are entitled to receive notice of a meeting of Holders of Notes will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Holders of Notes.

16.2. *Modification of Notes other than VP Systems Notes:* This Condition 16.2 is applicable only in relation to Notes other than VP Systems Notes. The Issuer may, with the consent of the Fiscal Agent, amend the Notes, these Conditions and the Deed of Covenant without the consent of the Holders or Couponholders:

- (i) where such amendment is of a formal, minor or technical nature or to correct a manifest error or proven error or to cure, correct or supplement any defective provision of the Notes of the relevant Series and/or the Deed of Covenant; or
- (ii) where the Issuer determines (whether before or after issue) to list and/or trade the Notes of the relevant Series on a stock exchange, market or quotation system or a central securities depository, trading facility or clearing system and such amendment is made to enable such Notes to be listed and/or traded on such stock exchange, market or quotation system or central securities depository, trading facility or clearing system; or
- (iii) to comply with any mandatory provision of law or the rules of any stock exchange, market or quotation system, central securities depository, trading facility or clearing system.

Subject as aforesaid, no other modification may be made to these Conditions or the Deed of Covenant except with the sanction of an Extraordinary Resolution.

16.3. *Meeting of Holders of VP Systems Notes:* This Condition 16.3 is applicable only in relation to VP Systems Notes. The Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening meetings of Holders of VP Systems Notes of any Series to consider matters relating to such Series of Notes, including (without limitation) the modification by Extraordinary Resolution of any provision of these Conditions insofar as the same may apply to such Notes. Any Extraordinary Resolution duly passed at any such meeting of Holders of VP Systems Notes of any Series will be binding on all Holders of Notes of such Series, whether present or not at the meeting. Meetings of Holders shall be held in accordance with the Agency Agreement and in compliance with the relevant regulations of the VP, VPS, Euroclear Finland or Euroclear Sweden, as the case may be. Any person requesting the convening of any such meeting or attending or voting at any such meeting shall be required to provide proof of their appointment as proxy, attorney or representative and/or ownership of Notes satisfactory to the Issuer and/or in the form specified by Issuer in the notice in respect of the relevant meeting given to Holders in accordance with Condition 18.

In addition, a resolution in writing signed by or on behalf of all Holders who for the time being are entitled to receive notice of a meeting of Holders of Notes will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Holders of Notes.

16.4. *Modification of VP Systems Notes:* This Condition 16.4 is applicable only in relation to VP Systems Notes. The Issuer may amend the Notes and these Conditions without the consent of the Holders:

- (i) where such amendment is of a formal, minor or technical nature or to correct a manifest error or proven error or to cure, correct or supplement any defective provision of the Notes of the relevant Series; or
- (ii) where the Issuer determines (whether before or after issue) to list and/or trade the Notes of the relevant Series on a stock exchange, market or quotation system or a central securities depository, trading facility or clearing system and such amendment is made to enable such Notes to be listed and/or traded on such stock exchange, market or quotation system or central securities depository, trading facility or clearing system; or
- (iii) to comply with any mandatory provision of law or the rules of any stock exchange, market or quotation system, central securities depository, trading facility or clearing system.

Subject as aforesaid, no other modification may be made to these Conditions except with the sanction of an Extraordinary Resolution.

17. Further Issues

The Issuer may from time to time, without the consent of the Holders or the Couponholders, create and issue further Notes having the same Terms and Conditions as the Notes in all respects (or in all respects except for the first payment of interest, if any, on them and/or the issue price thereof) so as to form a single series with the Notes.

18. Notices

18.1. *Bearer Notes:* Notices to Holders of Bearer Notes will, save where another means of effective communication has been specified herein or in the relevant Final Terms, be deemed to be validly given:

- (i) in the case of any Bearer Notes represented by definitive Bearer Notes, if published in a leading English language daily newspaper having general circulation in Europe; or
- (ii) in the case of any Bearer Notes represented by a Global Note, if delivered to Euroclear and Clearstream, Luxembourg for communication by them to the persons shown in their respective records as having interests therein,

and, in either case, if such Notes are listed on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange (so long as such Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of that exchange so permit), if published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to trading.

Any notice so given will be deemed to have been validly given, in the case of any Bearer Notes represented by definitive Bearer Notes, on the date of first such publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers) or, in the case of any Bearer Notes represented by a Global Note, on the date of such delivery to Euroclear and Clearstream, Luxembourg. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to Holders of Bearer Notes in accordance with this Condition.

- 18.2. *VP Systems Notes*: All notices regarding the VP Systems Notes shall be given (i) if and for so long as the Notes are admitted to trading and/or listed on any stock exchange or any other relevant authority, by publication in any manner which complies with the rules of such stock exchange or other relevant authority and (ii) may be (a) given in accordance with the procedures of the VP, VP Lux, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, and/or (b) published in a relevant national newspaper.
- 18.3. Any notice so given will be deemed to have been validly given, (i) if published either (a) on the website of any stock exchange or other relevant authority on which the relevant VP Systems Notes are for the time being listed or by which they have been admitted to trading and/or (b) in a national newspaper, on the date of the first such publication or (ii) if given in accordance with the procedures of the VP, VP Lux, VPS, Euroclear Finland or Euroclear Sweden, as the case may be, on the date it is published in accordance with such procedures, or (iii) if given or published in any other manner in accordance with this Condition, on the date specified in the relevant notice or, if no such date is specified, on the third Business Day after the date of such notice. Notices to the Issuer shall be given in writing to the Issuer at 2-12 Holmens Kanal, DK-1092 Copenhagen K, Denmark, attention: 4841 Danske Markets/Asset and Liability Management or such other address and/or addressee as the Issuer may notify to Holders from time to time in accordance with this Condition.

19. **Currency Indemnity**

The currency in which the Notes are denominated or, if different, payable, as specified in the relevant Final Terms (the “**Contractual Currency**”), is the sole currency of account and payment for all sums payable by the Issuer in respect of the Notes, including damages. Any amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction or otherwise) by any Holder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount of the Contractual Currency which such Holder is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that amount is less than the amount of the Contractual Currency expressed to be due to any Holder in respect of such Note or Coupon, the Issuer shall indemnify such Holder against any loss sustained by such Holder as a result. In any event, the Issuer shall indemnify each such Holder against any cost of making such purchase which is reasonably incurred. These indemnities constitute a separate and independent obligation from the Issuer’s other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due in respect of the Notes or any judgment or order. Any such loss as aforesaid shall be deemed to constitute a loss suffered by the relevant Holder and no proof or evidence of any actual loss will be required by the Issuer.

20. **Waiver and Remedies**

No failure to exercise, and no delay in exercising, on the part of the Holder of any Note, any right in these Conditions shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right. Rights hereunder shall be in addition to all other rights provided by law. No notice or demand given in any case shall constitute a waiver of rights to take other action in the same, similar or other instances without such notice or demand.

21. Governing Law and Jurisdiction

- 21.1. *Governing law:* The Notes, the Agency Agreement, the Deed of Covenant and the VP Systems Agency Agreement, and any non-contractual obligations arising therefrom or in connection therewith, shall be governed by, and construed in accordance with, English law, except for the registration of Notes in the VP, which shall be governed by, and shall be construed in accordance with, Danish law, the registration of Notes in the VPS, which shall be governed by, and shall be construed in accordance with, Norwegian law, the registration of Notes in Euroclear Finland, which shall be governed by, and shall be construed in accordance with Finnish law and the registration of Notes in Euroclear Sweden, which shall be governed by, and shall be construed in accordance with, Swedish law.
- 21.2. *English courts:* The courts of England have jurisdiction to settle any dispute (a “**Dispute**”) arising from or connected with the Notes (including any Dispute relating to any non-contractual obligations arising from or connected with the Notes).
- 21.3. *Appropriate forum:* The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- 21.4. *Rights of the Holders to take proceedings outside England:* Condition 21.2 (*English courts*) is for the benefit of the Holders only. As a result, nothing in this Condition 21 prevents any Holder from taking proceedings relating to a Dispute (“**Proceedings**”) in any other courts with jurisdiction. To the extent allowed by law, any Holder may take concurrent Proceedings in any number of jurisdictions.
- 21.5. *Service of process:* The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to the Issuer at 75 King William Street, London EC4N 7DT or at any address of the Issuer in Great Britain at which service of process may be served on it in accordance with Part 34 of the Companies Act 2006. Nothing in this paragraph shall affect the right of any Holder to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings elsewhere.

22. Rights of Third Parties

No person shall have any right to enforce any term or Condition in respect of a Note under the Contracts (Rights of Third Parties) Act 1999.

PRO FORMA FINAL TERMS

Pro Forma Final Terms for an issue by Danske Bank A/S under the EUR 5,000,000,000 Structured Note Programme.

The Final Terms in respect of each Tranche of Notes will be substantially in the following form, duly amended (if necessary) and completed to reflect the particular terms of the relevant Notes and their issue. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms. In the case of Notes which are admitted to trading on the Luxembourg Stock Exchange's regulated market, the relevant Final Terms will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

FINAL TERMS DATED [●]

Series No. [●]

Tranche No. [●]

DANSKE BANK A/S

EUR 5,000,000,000

Structured Note Programme

Issue of

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

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (as defined below) (each, a “**Relevant Member State**”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in item 46 of Part A below, provided such person is one of the persons mentioned in item 46 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

The expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU. [N.B. Consider including this legend where a non-exempt offer of Notes is anticipated.]

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (as defined below) (each, a “**Relevant Member State**”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State,

from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.]

The expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.] [*N.B. Consider including this legend where only an exempt offer of Notes is anticipated.*]

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the Base Prospectus dated [●] [and the Base Prospectus Supplement No. [●] dated [●]] which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. 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. The Base Prospectus is available for viewing at and copies may be obtained from the specified offices of the Paying Agents.

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 (the “**Conditions**”) set forth in the [Information Memorandum/Base Prospectus] dated [*original date*]. 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 dated [●] [and the Base Prospectus Supplement No. [●] dated [●]], which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the [Information Memorandum/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 [Information Memorandum/Base Prospectus] dated [*original date*] and the Base Prospectus. The [Information Memorandum/Base Prospectus] dated [*original date*], the Base Prospectus are available for viewing at and copies may be obtained from the specified offices of the Paying Agents.

[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 guidance for completing the Final Terms.]

[When completing any final terms, or 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.]

1. Issuer: Danske Bank A/S
 2. (i) [Series Number:] [●]
 - (ii) [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: [[●]]
 - (i) [Series:] [●]
 - (ii) [Tranche:] [●]
 5. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
 6. (i) Specified Denominations: [●]

(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 EUR 1,000 minimum denomination is not required.)

(N.B. In the case of Notes with a minimum denomination of EUR 100,000 or equivalent, where multiple denominations above EUR 100,000 or equivalent are being used the following sample wording should be followed:

“[EUR 100,000] and integral multiples of [EUR 1,000] in excess thereof up to and including [EUR 199,000]. No Notes in definitive form will be issued with a denomination above [EUR 199,000].”)

- (ii) 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. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [●]
8. Maturity Date: [specify date] [subject to adjustment in accordance with the Business Day Convention specified in item [16(ii)]/[17(iii)] below] [(N.B. include adjustment wording for Floating Rate Notes)]
- (N.B. Care should be taken that any specified Maturity Date takes into account any rolling provisions relating to valuation in respect of Index-Linked Notes, Equity-Linked Notes, Currency-Linked Notes and Inflation-Linked Notes)
9. Interest Basis: [[●] per cent. Fixed Rate]
- [[specify reference rate] plus/minus [●] per cent. Floating Rate]
- [Zero Coupon]
[Index-Linked Interest]
[Equity-Linked Interest]
[Currency-Linked Interest]
[Inflation-Linked Interest]
[Commodity-Linked Interest]
[Other (specify)]
(further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]
[Index-Linked Redemption]
[Equity-Linked Redemption]
[Currency-Linked Redemption]
[Inflation-Linked Redemption]
[Commodity-Linked Redemption]
[Partly Paid]
[Instalment]
[Other (specify)]
- (N.B. If the Final Redemption Amount is more or less 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. This pro forma has been annotated to indicate where the key additional requirements of Annex XII are dealt with)
11. Change of Interest or Redemption/Payment Basis: [Not Applicable/or specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]
12. Put/Call Options: [Call Option/
Put Option/Not Applicable]

[(further particulars specified below)]

13. Tax Gross-Up: [Condition 10.1 applicable]/[Condition 10.3 applicable]

(N.B. Only one of Condition 10.1 and 10.3 should be specified as applicable. If Condition 10.1 is specified as applicable, Condition 8.2 will be applicable and Condition 10.3 will not be applicable)

14. Date of Board approval for issuance of Notes obtained: [Not Applicable/give details]

(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes):

15. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. **Fixed Rate Note Provisions** [Applicable/Not Applicable]

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

- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with [specify Business Day Convention and any Applicable Business Centre(s) for the definition of "Business Day"]]
- (iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount
- (iv) Broken Amount(s): [Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)]]
- (v) Day Count Fraction: [30/360/Actual/Actual ([ICMA]/[ISDA])/other]
- (vi) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]

17. **Floating Rate Note Provisions** [Applicable/Not Applicable]

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

- (i) Specified Period: [●]

(Specified Period and Interest Payment Dates are alternatives. A Specified Period, rather than

Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable")

- (ii) Interest Payment Dates:

- (Specified Period and Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")
- (iii) Business Day Convention: Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (iv) Applicable Business Centre(s): [insert Applicable Business Centres]
- (v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (give details)]
- (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s):
- (vii) Screen Rate Determination: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (viii) Reference Rate:
- (ix) Interest Determination Date(s):
- (x) Relevant Screen Page:
- (xi) Relevant Time:
- (xii) Relevant Financial Centre:
- (xiii) Reference Banks:
- (xiv) ISDA Determination: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (xv) Floating Rate Option:
- (xvi) Designated Maturity:
- (xvii) Reset Date:
- (xviii) Margin(s): [plus/minus][] per cent. per annum
- (xix) Minimum Rate of Interest: per cent. per annum

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

(xxi) Day Count Fraction: [●]

(xxii) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:

18. **Zero Coupon Note Provisions** [Applicable/Not Applicable]

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

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

(ii) Reference Price: [●]

(iii) Any other formula/basis of determining amount payable: [●]

(iv) Day Count Fraction: [●]

19. **Index-Linked Interest Note Provisions** [Applicable/Not Applicable]

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

(i) Whether the Notes relate to a basket of indices or a single index, the identity of the relevant Index/Indices [Basket of Indices/Single Index]

[give or annex details]

and whether any such Index is a Designated Multi-Exchange Index or a Commodity Index: [The Index is a [Designated Multi-Exchange Index/Commodity Index]]

(N.B. Designated Multi-Exchange Index only applies in relation to the Euro Stoxx Index unless otherwise specifically agreed)

(ii) Calculation Agent responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) and for making calculations pursuant to Condition 12.A.: *[give name and address]*

(iii) Formula for calculating Rate(s) of Interest and/or Interest Amount(s): [●]

(iv) Interest Payment Date(s): [●]

(N.B. Care should be taken that any specified Interest Payment Date takes into account any

rolling provisions relating to Valuation Dates)

- (v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
- (vi) Applicable Business Centre(s): [●]
- (vii) Minimum Rate/Amount of Interest: [[●] per cent. per annum/[●]/Not Applicable]
- (viii) Maximum Rate/Amount of Interest: [[●] per cent. per annum/[●]/Not Applicable]
- (ix) Day Count Fraction: [[●]/Not Applicable]
- (x) Exchange(s): [●]
- (xi) Related Exchange(s): [[●]/All Exchanges]
- (xii) Initial Valuation Date: [[●]/Not Applicable]
- (xiii) Interest Valuation Date(s): [●]
[Condition 12.A applies/*other*]
- (xiv) Reference Price:
- (xv) Valuation Time: [Condition 12.A. applies/*other*]
- (xvi) Strike Price: [[●]/Condition 12.A. applies]
- (xvii) Multiplier: [One/*give details*]
- (xviii) Weighting for each Index comprising the basket: [Not Applicable/*give details*]
- (xix) Correction of Index Levels: Correction of Index Levels [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction]
- (If Correction of Index Levels does not apply, delete the following sub paragraph)*
- (xx) [Correction Cut-Off Date: [In relation to the Initial Valuation Date, [●] Business Days after the Initial Valuation Date] [In relation to any Interest Valuation Date, [●] Business Days prior to the relevant Interest Payment Date.]]
- (xxi) Trade Date: [●]
- (xxii) Other terms and special conditions: [●]
[Specify any additional provisions relating to Commodity Indices]

| | | |
|---------|---|--|
| 20. | Equity-Linked Interest Note Provisions | [Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i> |
| (i) | Whether the Notes relate to a basket of equity securities or a single equity security, and the identity of the relevant issuer(s) of the Underlying Equity/Equities): | [Basket of Underlying Equities/Single Underlying Equity] [give or annex details] [give name and address] |
| (ii) | Calculation Agent responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) and for making calculations pursuant to Condition 12.B.: | [give or annex details] |
| (iii) | Formula for calculating Rate(s) of Interest and/or Interest Amount(s): | [●] |
| (iv) | Interest Payment Date(s): | [●] <i>(N.B. Care should be taken that any specified Interest Payment Date takes into account any rolling provisions relating to Valuation Dates)</i> |
| (v) | Business Day Convention: | [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/specify other] [●] |
| (vi) | Applicable Business Centre(s): | [[●] per cent. per annum/[●]/Not applicable] |
| (vii) | Minimum Rate/Amount of Interest: | [[●] per cent. per annum/[●]/Not applicable] |
| (viii) | Maximum Rate/Amount of Interest: | [[●]/Not Applicable] |
| (ix) | Day Count Fraction: | [●] |
| (x) | Exchange(s): | [●] |
| (xi) | Related Exchange(s): | [[●]/All Exchanges] |
| (xii) | Potential Adjustment Events: | [Applicable/Not Applicable] |
| (xiii) | Extraordinary Events: | [Applicable/Not Applicable] |
| (xiv) | Initial Valuation Date: | [[●]/Not Applicable] |
| (xv) | Interest Valuation Date(s): | [●] |
| (xvi) | Reference Price: | [Condition 12.B. applies/other] |
| (xvii) | Valuation Time: | [Condition 12.B. applies/other] |
| (xviii) | Strike Price: | [[●]/Condition 12.B. applies] |

- (xix) Exchange Rate: [Applicable/Not Applicable] [*Give details*]
- (xx) Multiplier: [One/*give details*]
- (xxi) Weighting for each Underlying Equity comprising the basket (which is subject to adjustment as set out in Condition 12.B.): [Not Applicable/*give details*]
- (xxii) Correction of Underlying Equity Prices: Correction of Underlying Equity Prices [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction] (*If Correction of Underlying Equity Prices does not apply, delete the following sub-paragraph*)
- (xxiii) [Correction Cut-Off Date: [In relation to the Initial Valuation Date, [●] Business Days after the Initial Valuation Date] [In relation to any Interest Valuation Date, [●] Business Days prior to the relevant Interest Payment Date]] [●]
- (xxiv) Trade Date: [●]
- (xxv) Other terms and special conditions: [●]
21. **Currency-Linked Interest Note Provisions** [Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (i) Whether the Notes relate to a basket of subject currencies or a single subject currency and the identity of the relevant Subject Currency/Currencies: [Basket of Subject Currencies/Single Subject Currency] [(*Give or annex details*)] [*give name and address*]
- (ii) Calculation Agent responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) and for making calculations pursuant to Condition 12.D.: [Give or annex details]
- (iii) Formula for calculating Rate(s) of Interest and/or Interest Amount(s): [●]
- (iv) Interest Payment Date(s): (*N.B. Care should be taken that any specified Interest Payment Date takes into account rolling provisions relating to valuation (if any)*) [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/*specify other*]
- (v) Business Day Convention:

- (vi) Applicable Business Centre(s):
- (vii) Minimum Rate/Amount of Interest: per cent. per annum//Not Applicable
- (viii) Maximum Rate/Amount of Interest: per cent. per annum//Not Applicable
- (ix) Day Count Fraction: /Not Applicable
- (x) Base Currency:
- (xi) Relevant FX Screen Page:
- (xii) Initial Valuation Date: /Not Applicable
(N.B. Consider fallbacks in the event of market disruption)
- (xiii) Interest Valuation Date(s): /Not Applicable
(N.B. Consider fallbacks in the event of market disruption)
- (xiv) Reference Price: [Condition 12.D applies/other]
- (xv) Strike Price: /Condition 12.D applies
- (xvi) Relevant Time: [One/give details]
- (xvii) Multiplier: [Not Applicable/give details]
- (xviii) Weighting for each currency comprising the basket:
- (xix) Other terms and special conditions:

22. **Inflation Linked Interest Note Provisions** /Applicable/Not Applicable

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

- (i) Whether the Notes relate to a basket of indices or a single index and the identity of the relevant Index/Indices: [give or annex details]
- (ii) Calculation Agent responsible for calculating Rate(s) of Interest and/or Interest Amount(s) and for making calculations pursuant to Condition 12.E: [give name and address]
- (iii) Formula for calculating Rate(s) of Interest and/or Interest Amount(s):
- (iv) Interest Payment Date(s): [Each Payment Date/specify]
- (v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day]

- Convention/other (*give details*)]
- (vi) Applicable Business Centre(s): [●]
- (vii) Minimum Rate/Amount of Interest: [[●] per cent. per annum]/[●]/Not Applicable]
- (viii) Maximum Rate/Amount of Interest: [[●] per cent. per annum/[●]/Not Applicable]]
- (ix) Day Count Fraction: [[●]/Not Applicable]
- (x) Payment Date(s): [*Specify*]
- (xi) Relevant Determination Date(s): [*Specify*/Five Business Days prior to [each/the Payment Date]]
- (If no Relevant Determination Date is specified, the Relevant Determination Date will be five Business Days prior to the relevant Payment Date)*
- (xii) Related Bond(s): [Applicable/Not Applicable]
- [Specify for an Index/Fall Back Bond]*
- (xiii) Issuer(s) of Related Bond(s): [●]/[Not Applicable]
- (xiv) Fallback Bond(s): [Applicable/Not Applicable]
- [Specify for an Index/The bond determined as provided in Condition 12.E.4.]*
- End Date: [●]
- (xv) Period of Cessation of Publication: [2 consecutive months/*specify*]
- (If no Period of Cessation of Publication is specified, the period will be two consecutive months)*
- (xvi) Revised Index Levels: [[In respect of an Index,] [No Revision/Revision] shall apply in relation to the first publication and announcement of a level of [such/the] Index for a Reference Month]
- (N.B. If neither "No Revision" nor "Revision" is specified, "No Revision" shall be deemed to apply)*
- (xvii) Revision Cut-off Date: [In respect of an Index,] [2 Business Days prior to any relevant Payment Date/*specify*]
- (If no Revision Cut-off Date is specified, the cut-off date will be two Business Days prior to any relevant Payment Date)*
- (xviii) Manifest Error Cut-off Date: [In respect of an Index,] [2 Business Days prior to any relevant Payment Date/*specify*]

(If no Manifest Error Cut-off Date is specified, the cut-off date will be two Business Days prior to any relevant Payment Date)

(xix) Other terms and special conditions:

23. **Commodity-Linked Interest Note Provisions** [Applicable/Not Applicable]

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

(i) Whether the Notes relate to a basket of commodities or a single commodity, the identity of the relevant Commodity/Commodities and whether any such Commodity is a Bullion Commodity or a Commodity Index: [Basket of Commodities/Single Commodity]

[give or annex details]

[The Commodity is a Bullion Commodity/Commodity Index]]

(ii) Calculation Agent responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) and for making calculations pursuant to Condition 12.F.: *[give name and address]*

(iii) Formula for calculating Rate(s) of Interest and/or Interest Amount(s):

(iv) Interest Payment Date(s):

(Care should be taken that any specified Interest Payment Date takes into account any rolling provisions relating to Valuation Dates)

(v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]

(vi) Applicable Business Centre(s):

(vii) Minimum Rate/Amount of Interest: per cent. per annum//Not Applicable]

(viii) Maximum Rate/Amount of Interest: per cent. per annum//Not Applicable]

(ix) Day Count Fraction: /Not Applicable]

(x) Exchange(s):

(xi) Initial Valuation Date: , subject to adjustment in accordance with the Commodity Business Day Convention specified in item 23(xiv) below/Not Applicable]

- (xii) Interest Valuation Date(s): [[●], subject to adjustment in accordance with the Commodity Business Day Convention specified in item 23(xiv) below]
- [[●], subject to adjustment in accordance with the Following Commodity Business Day Convention. If a Market Disruption Event occurs on [the final] such date, then such Interest Valuation Date shall be the first succeeding Commodity Business Day on which no Market Disruption Event occurs, unless on each of the eight Commodity Business Days immediately following the original date, there occurs a Market Disruption Event. In that case, that eighth Commodity Business Day shall be deemed to be such Interest Valuation Date and the provisions of Condition 12.F.3 shall apply thereto]
- (NB: Only applicable where "option" style valuation is required for the final Interest Valuation Date)*
- (xiii) Commodity Business Day: [Condition 12.F applies/other]
- (xiv) Commodity Business Day Convention: [Following/Modified Following/Modified/Nearest /Preceding]
- (xv) Common Pricing: [Applicable/Not Applicable]
- (xvi) *(NB: Only applicable in the case of Notes linked to a basket of Commodities)*
- (xvii) Reference Price: [Condition 12.F. applies/other]
- (xviii) Strike Price: [[●]/Condition 12.F. applies]
- (xix) Commodity Reference Price: [●]
- (xx) Specified Price: [high price][low price][average of high and low prices][closing price][opening price][bid price][asked price][average of bid and asked prices][settlement price][official settlement price][official price][morning fixing][afternoon fixing][spot price][other] [insert time, if applicable]
- (xxi) Delivery Date: [date][month and year][[First/Second/Third/other] Nearby Month][specify method]
- (xxii) Unit: [●]
- (xxiii) Price Source: [●]
- (xxiv) Market Disruption Event(s): [The following Market Disruption Events apply to the Notes:

[Additional Market Disruption Event: *specify*]
 [Disappearance of Commodity Reference Price]
 [Material Change in Content]
 [Material Change in Formula]
 [Price Source Disruption]
 [Tax Disruption]
 [Trading Disruption: *specify any additional futures/options contract commodity*]
 [Condition 12.F.3(ii) applies]

(NB: if Condition 12.F.3(ii) applies, the Market Disruption Events specified in that Condition will apply – this does NOT include Tax Disruption)

(xxv) Disruption Fallback(s): [The following Disruption Fallbacks apply to the Notes (in the following order):

[Calculation Agent Determination]
 [Cancellation]
 [Delayed Publication or Announcement]
 [Fallback Reference Dealers]
 [Fallback Reference Price: *specify alternate Commodity Reference Price*]
 [Postponement]
 [*specify other*]
(NB: Must be specified in the order in which they apply)
 [Condition 12.F.3(v) applies]

(NB: If Condition 12.F.3(v) applies, the Disruption Fallbacks specified in that Condition will apply)

(xxvi) Reference Dealers: [*Specify four dealers*]

(For Bullion Commodities specify the principal London office of dealers that are members of the London Bullion Market Association)

(xxvii) Maximum Days of Disruption: [●]

(NB: If no Maximum Days of Disruption are stated, Maximum Days of Disruption will be equal to five)

(xxviii) Price Materiality Percentage: [●]

(xxix) Multiplier: [One/*give details*]

(xxx) Weighting for each Commodity comprising the basket: [Not Applicable/*give details*]

(xxxi) Correction of Commodity Reference Prices: Correction of Commodity Reference Prices [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction]

(If Correction of Commodity Reference Prices does not apply, delete the following sub paragraph)

[Correction Cut-Off Date:

[In relation to the Initial Valuation Date, [●] Business Days after the Initial Valuation Date] [In relation to any Interest Valuation Date, [●] Business Days prior to the relevant Interest Payment Date]]

(xxxii) Trade Date:

[●]

(xxxiii) Other terms and special conditions:

[●]

[Condition 12.F.4 applies and the provisions of [Condition 12.A.3(i) and 12.A.3(ii)] [and] [Condition 12.C] [apply/applies] to the Notes] *(NB: Only applicable if the relevant Commodity is a Commodity Index)*

24. **Additional Disruption Events (*applicable to Index-Linked Interest Notes and Equity-Linked Interest Notes and, if so specified herein, Commodity-Linked Notes only*):**

[Applicable/Not Applicable]

[Additional Disruption Events are only applicable to certain types of Index-Linked Interest Notes or Equity-Linked Interest Notes and, if so specified herein, Commodity-Linked Notes]

(If not applicable, delete the remaining subparagraphs of this paragraph)

(i) Change in Law:

[Applicable/Not Applicable]

(ii) Hedging Disruption:

[Applicable/Not Applicable]

(iii) Increased Cost of Hedging:

[Applicable/Not Applicable]

(iv) Increased Cost of Stock Borrow:

[Applicable/Not Applicable]

(If applicable, include the following)

[The Initial Stock Loan rate in respect of *[specify in relation to each Underlying Equity/Component Security]* is: [●]]

(v) Insolvency Filing:

[Applicable/Not Applicable]

(N.B. Only applicable in the case of Equity-Linked Interest Notes)

(vi) Loss of Stock Borrow:

[Applicable/Not Applicable]

(If applicable, include the following)

[The Maximum Stock Loan Rate in respect of *[specify in relation to each Underlying*

Equity/Component Security] is: [●]]

PROVISIONS RELATING TO REDEMPTION

25. Call Option

[Applicable/Not Applicable]

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

- (i) Optional Redemption Date(s) (Call): [●]
- (ii) Optional Redemption Amount (Call) and method, if any, of calculation of such amount(s): [●] per Calculation Amount
- (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: [●]
 - (b) Maximum Redemption Amount: [●]
- (iv) Notice period: [●] *(Specify if the Notice Period in Condition 8.3 (Redemption at the option of the Issuer) is amended)*

26. Put Option

[Applicable/Not Applicable]

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

- (i) Optional Redemption Date(s) (Put): [●]
- (ii) Optional Redemption Amount (Put) and method, if any, of calculation of such amount(s): [●] per Calculation Amount
- (iii) Notice period: [●]

27. Final Redemption Amount

[[●] per Calculation Amount/other/see Appendix]

28. Early Redemption Amount

- (i) Early Redemption Amount payable
 - (a) on redemption for taxation reasons or (b) on an illegality or (c) on an Event of Default or (d) in the case of Index-Linked Notes, following an Index Adjustment Event in accordance with Condition 12.A.3. or (e) in the case of Equity-Linked Notes, following an Extraordinary Event in accordance with Condition 12.B.3(ii)(b) or (f) in the case of

[[●] per Calculation Amount/other/see Appendix]
[Consider including the wording below in the case of Index-Linked Notes, Equity-Linked Notes, Currency-Linked Notes or Inflation-Linked Notes

With respect to each Calculation Amount, such amount(s) determined by the Calculation Agent which shall represent the fair market value of such Calculation Amount on the date of redemption, adjusted to account fully for any losses, expenses and costs to the Issuer (or any of its Affiliates) of

Index-Linked Notes or Equity-Linked Notes, following an Additional Disruption Event (if applicable) or (g) in the case of Inflation-Linked Notes, in respect of an Inflation Index Cancellation and/or the method of calculating the same: unwinding any underlying or related hedging and funding arrangements, all as determined by the Calculation Agent. For the purposes of determining the fair market value of such Calculation Amount for the purposes of Condition 11, no account shall be taken of the financial condition of the Issuer which shall be presumed to be able to perform fully its obligations in respect of the Notes]

(ii) Early Redemption Amount includes amount in respect of accrued interest: [Yes: no additional amount in respect of accrued interest to be paid/No: together with the Early Redemption Amount, accrued interest shall also be paid]

29. **Index-Linked Redemption Notes:** [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

(i) Whether the Notes relate to a basket of indices or a single index, the identity of the relevant Index/Indices and whether any such Index is a Designated Multi-Exchange Index or a Commodity Index: [Basket of Indices/Single Index]
 [[Give or annex details]]
 [The Index is a [Designated Multi-Exchange Index/Commodity Index]

(N.B. Designated Multi-Exchange Index only applies in relation to the Euro Stoxx Index unless otherwise specifically agreed)

(ii) Calculation Agent responsible for making calculations pursuant to Condition 12.A.: [give name and address]

(iii) Exchange(s): [●]

(iv) Related Exchange(s): [[●]/All Exchanges]

(v) Index-Linked Redemption Amount: [[●] per Calculation Amount/Call Index-Linked Redemption Notes/Put Index-Linked Redemption Notes/other/see Appendix

(vi) Capped Index-Linked Redemption Amount: [[●] per Calculation Amount/other/see Appendix/Not Applicable]

(vii) Floored Index-Linked Redemption Amount: [[●] per Calculation Amount/other/see Appendix/Not Applicable]

(viii) Initial Valuation Date: [[●]/Not Applicable]

(ix) Initial Averaging Dates: [[●]/Not Applicable]

(If not applicable, delete the following subparagraph)

- (x) [Adjustment provisions in the event of a Disrupted Day: [Omission/Postponement/Modified Postponement]]
- (xi) Final Valuation Date: [[●]/Not Applicable]
- (xii) Final Averaging Dates: [[●]/Not Applicable]
- (If not applicable, delete the following sub paragraph)*
- (xiii) [Adjustment provisions in the event of a Disrupted Day: [Omission/Postponement/Modified Postponement]]
- (xiv) Reference Price: [Condition 12.A. applies/other]
- (xv) Valuation Time: [Condition 12.A. applies/other]
- (xvi) Strike Price: [[●]/Condition 12.A. applies]
- (xvii) Multiplier: [One/give details]
- (xviii) Weighting for each Index comprising the basket: [Not Applicable/give details]
- (xix) Correction of Index Levels: Correction of Index Levels [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction]
- (If Correction of Index Levels does not apply, delete the following sub-paragraph)*
- (xx) [Correction Cut-Off Date: [In relation to any Initial Averaging Date, [●] Business Days after the relevant Averaging Date and in relation to any Final Averaging Dates, [●] Business Days prior to the Maturity Date] [In relation to the Initial Valuation Date, [●] Business Days after the Initial Valuation Date and in relation to the Final Valuation Date, [●] Business Days prior to the Maturity Date]]
- (xxi) Trade Date: [●]
- (xxii) Other terms and special conditions: [●]
- [Specify any additional provisions relating to Commodity Indices]*
30. **Equity- Linked Redemption Notes:** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Whether the Notes relate to a basket of equity securities or a single equity [Basket of Underlying Equities/Single Underlying Equity]

- security, and the identity of the relevant issuer(s) of the Underlying Equity/Equities): *[(Give or annex details)]*
- (ii) Whether redemption of the Notes will be by (a) Cash Settlement or (b) Physical Delivery or (c) Cash Settlement and/or Physical Delivery: *[If Bearer Notes: [Cash Settlement/Physical Delivery/Cash Settlement and/or Physical Delivery]]*
(If Cash Settlement and/or Physical Delivery specified, specify details for determining in what circumstances Cash Settlement or Physical Delivery will apply)
[If VP Systems Notes: Cash Settlement]
- (iii) Calculation Agent responsible for making calculations pursuant to Condition 12.B.: *[give name and address]*
- (iv) Exchange(s): *[●]*
- (v) Related Exchange(s): *[●/All Exchanges]*
- (vi) Potential Adjustment Events: *[Applicable/Not Applicable]*
- (vii) Extraordinary Events: *[Applicable/Not Applicable]*
- (viii) Equity-Linked Redemption Amount: *[[●] per Calculation Amount/Call Equity-Linked Redemption Notes/Put Equity-Linked Redemption Notes/other/see Appendix]*
- (ix) Capped Equity-Linked Redemption Amount: *[[●] per Calculation Amount/other/see Appendix/Not Applicable]*
- (x) Floored Equity-Linked Redemption Amount: *[[●] per Calculation Amount/other/see Appendix/Not Applicable]*
- (xi) Initial Valuation Date: *[[●]/Not Applicable]*
- (xii) Initial Averaging Dates: *[[●]/Not Applicable]*
(If not applicable, delete the following sub paragraph)
- (xiii) [Adjustment provisions in the event of a Disrupted Day: *[Omission/Postponement/Modified Postponement]]*
- (xiv) Valuation Date: *[[●]/Not Applicable]*
- (xv) Final Averaging Dates: *[[●]/Not Applicable]*
(If not applicable, delete the following sub

paragraph)

- (xvi) [Adjustment provisions in the event of a Disrupted Day: [Omission/Postponement/Modified Postponement]]
- (xvii) Final Valuation Date: [●]
[Condition 12.B. applies/other]
- (xviii) Reference Price:
- (xix) Valuation Time: [Condition 12.B. applies/other]
- (xx) Strike Price: [[●]/Condition 12.B. applies]
- (xxi) Exchange Rate: [Applicable/Not Applicable] [give details]
- (xxii) Multiplier: [One/give details]
- (xxiii) Weighting for each Underlying Equity comprising the basket (which is subject to adjustment as set out in Condition 12.B.): [Not Applicable/give details]
- (xxiv) Correction of Underlying Equity Prices: Correction of Underlying Equity Prices [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction]
- (If Correction of Underlying Equity Prices does not apply, delete the following sub-paragraph)*
- (xxv) [Correction Cut-Off Date: [In relation to any Initial Averaging Date, [●] Business Days after the relevant Averaging Date and in relation to any Final Averaging Date, [●] Business Days prior to the Maturity Date][In relation to the Initial Valuation Date, [●] Business Days after the Initial Valuation Date and in relation to the Final Valuation Date, [●] Business Days prior to the Maturity Date]]
[●]
- (xxvi) Trade Date:
- (xxvii) Relevant Assets: [●]
(N.B. Only applicable where “Physical Delivery” or “Cash Settlement and/or Physical Delivery” is specified above)
- (xxviii) Asset Amount: [[●] per Calculation Amount/other/see Appendix/Not Applicable]
(N.B. Only applicable where “Physical Delivery” or “Cash Settlement and/or Physical Delivery” is specified above)

- (xxix) Cut-Off Date: [●]
(N.B. Only applicable where “Physical Delivery” or “Cash Settlement and/or Physical Delivery” is specified above)
- (xxx) Delivery provisions for Asset Amount (including details of who is to make such delivery): [●]
(N.B. Only applicable where “Physical Delivery” or “Cash Settlement and/or Physical Delivery” is specified above)
- (xxxi) Failure to deliver due to Illiquidity: [Applicable/Not Applicable]
(N.B. Only applicable where “Physical Delivery” or “Cash Settlement and/or Physical Delivery” is specified above)
- (xxxii) Other terms and special conditions: [●]
31. **Currency-Linked Redemption Notes:** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Whether the Notes relate to a basket of subject currencies or a single subject currency and the identity of the relevant Subject Currency/Currencies: [Basket of Subject Currencies/Single Subject Currency]
 [[Give or annex details]]
- (ii) Calculation Agent responsible for making calculations pursuant to Condition 12.D.: [give name and address]
- (iii) Currency-Linked Redemption Amount: [[●] per Calculation Amount/Call Currency-Linked Redemption Notes/Put Currency-Linked Redemption Notes/ other/see Appendix]
- (iv) Capped Currency-Linked Redemption Amount: [[●] per Calculation Amount/other/see Appendix/Not Applicable]
- (v) Floored Currency-Linked Redemption Amount: [[●] per Calculation Amount/other/see Appendix/Not Applicable]
 [●]
- (vi) Base Currency: [●]
- (vii) Relevant FX Screen Page: [●]
- (viii) Initial Valuation Date: [●/Not Applicable]
(N.B. Consider fallbacks in the event of market disruption)

- (ix) Final Valuation Date: [●]
(N.B. Consider fallbacks in the event of market disruption)
- (x) Strike Price: [●/Condition 12.D. applies]
- (xi) Reference Price: [Condition 12.D. applies/other]
- (xii) Relevant Time: [●]
- (xiii) Multiplier: [One/give details]
- (xiv) Weighting for each currency comprising the basket: [Not Applicable/give details]
- (xv) Other terms or special conditions: [●]

32. Inflation Linked Redemption Amount [Applicable/Not Applicable]

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

- (i) Whether the Notes relate to a basket of indices or a single index and the identity of the relevant Index/Indices: []
- (ii) Calculation Agent responsible for making calculations pursuant to Condition 12.E.: [give name and address]
- (iii) Inflation-Linked Redemption Amount: [[●] per Calculation Amount/see Appendix]
- (iv) Capped Inflation-Linked Redemption Amount: [[●] per Calculation Amount/other/see Appendix/Not Applicable]
- (v) Floored Inflation-Linked Redemption Amount: [[●] per Calculation Amount/other/see Appendix/Not Applicable]
[Maturity Date/Specify]
- (vi) Payment Dates:
- (vii) Relevant Determination Date: [Specify/Five Business Days prior to [each/the] Payment Date]
(If no (viii) Relevant Determination Date is specified, the Relevant Determination Date will be five Business Days prior to any relevant Payment Date)
- (viii) Related Bond(s): [Applicable/Not Applicable]
[Specify for an Index/Fall Back Bond]
- (ix) Issuer(s) of Related Bond(s): [●]/[Not Applicable]

- (x) Fallback Bond(s): [Applicable/Not Applicable]
 [Specify for an Index/The bond determined as provided in Condition 12.E.4]
 End Date: [●]
- (xi) Period of Cessation of Publication: [2 consecutive months/specify]
 (If no Period of Cessation of Publication is specified, the period will be two consecutive months)
- (xii) Revised Index Levels: [[In respect of an Index,] [No Revision/Revision] shall apply in relation to the first publication and announcement of a level of [such/the] Index for a Reference Month]
 (N.B. If neither "No Revision" nor "Revision" is specified, "No Revision" shall be deemed to apply)
- (xiii) Revision Cut-off Date: [In respect of an Index,] [2 Business Days prior to any relevant Payment Date/specify]
 (If no Revision Cut-off Date is specified, the cut-off date will be two Business Days prior to any relevant Payment Date)
- (xiv) Manifest Error Cut-off Date: [In respect of an Index,] [2 Business Days prior to any relevant Payment Date/specify]
 (If no Manifest Error Cut-off Date is specified, the cut-off date will be two Business Days prior to any relevant Payment Date)
- (xv) Trade Date: [Specify]
- (xvi) Other terms and special conditions: [●]
33. **Commodity-Linked Redemption Notes:** [Applicable/Not Applicable]
 (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Whether the Notes relate to a basket of commodities or a single commodity, the identity of the relevant Commodity/Commodities and whether any such Commodity is a Bullion Commodity or a Commodity Index: [Basket of Commodities/Single Commodity]
 [give or annex details]
 [The Commodity is a [Bullion Commodity /Commodity Index]]
- (ii) Calculation Agent responsible for making calculations pursuant to [give name and address]

Condition 12.F.:

- | | | |
|--------|---|--|
| (iii) | Exchange(s): | [●] |
| (iv) | Commodity-Linked Redemption Amount: | [[●] per Calculation Amount/Call Commodity-Linked Redemption Notes/Put Commodity-Linked Redemption Notes/other/see Appendix |
| (v) | Capped Commodity-Linked Redemption Amount: | [[●] per Calculation Amount/other/see Appendix/Not Applicable] |
| (vi) | Floored Commodity-Linked Redemption Amount: | [[●] per Calculation Amount/other/see Appendix/Not Applicable] |
| (vii) | Initial Valuation Date: | [[●], subject to adjustment in accordance with the Commodity Business Day Convention specified in item 33(xii) below/Not Applicable] |
| (viii) | Initial Averaging Dates: | [[●], subject to adjustment in accordance with the Commodity Business Day Convention specified in item 33(xii) below/Not Applicable] |
| (ix) | Final Valuation Date: | [[●], subject to adjustment in accordance with the Commodity Business Day Convention specified in item 33(xii) below/Not Applicable] |
| | | [[●], subject to adjustment in accordance with the Following Commodity Business Day Convention. If a Market Disruption Event occurs on such date, then such Final Valuation Date shall be the first succeeding Commodity Business Day on which no Market Disruption Event occurs, unless on each of the eight Commodity Business Days immediately following the original date, there occurs a Market Disruption Event. In that case, that eighth Commodity Business Day shall be deemed to be the Final Valuation Date and the provisions of Condition 12.F.3 shall apply thereto] |
| | | <i>(NB: Only applicable where "option" style valuation is required for the Final Valuation Date)</i> |
| (x) | Final Averaging Dates: | [[●], subject to adjustment in accordance with the Commodity Business Day Convention specified in item 33(xii) below/Not Applicable] |
| (xi) | Commodity Business Day | [Condition 12.F. applies/other] |
| (xii) | Commodity Business Day Convention: | [Following/Modified Following/Modified/Nearest /Preceding] |
| (xiii) | Common Pricing: | [Applicable/Not Applicable] |
| (xiv) | Reference Price: | [Condition 12.F. applies/other] |

- (xv) Strike Price: /Condition 12.F. applies
- (xvi) Commodity Reference Price:
- (xvii) Specified Price: high pricelow priceaverage of high and low pricesclosing priceopening pricebid priceasked priceaverage of bid and asked pricessettlement priceofficial settlement priceofficial pricemorning fixingafternoon fixingspot priceother [insert time, if applicable]
- (xviii) Delivery Date: datemonth and year[First/Second/Third/other] Nearby Monthspecify method
- (xix) Unit:
- (xx) Price Source:
- (xxi) Market Disruption Event(s): The following Market Disruption Events apply to the Notes:
Additional Market Disruption Event: *specify*
Disappearance of Commodity Reference Price
Material Change in Content
Material Change in Formula
Price Source Disruption
Tax Disruption
Trading Disruption: *specify any additional futures/options contract commodity*
Condition 12.F.3(ii) applies
(NB: if Condition 12.F.3(ii) applies, the Market Disruption Events specified in that Condition will apply – this does NOT include Tax Disruption)
- (xxii) Disruption Fallback(s): The following Disruption Fallbacks apply to the Notes (in the following order):
Calculation Agent Determination
Cancellation
Delayed Publication or Announcement
Fallback Reference Dealers
Fallback Reference Price: *specify alternate Commodity Reference Price*
Postponement
specify other
(NB: Must be specified in the order in which they apply)
Condition 12.F.3(v) applies
(NB: if Condition 12.F.3(v) applies, the Disruption Fallbacks specified in that Condition will apply)

- (xxiii) Reference Dealers: [Specify four dealers]
(For Bullion Commodities: specify the principal London office of dealers that are members of the London Bullion Market Association)
- (xxiv) Maximum Days of Disruption: [●]
(If no Maximum Days of Disruption are stated, Maximum Days of Disruption will be equal to five)
- (xxv) Price Materiality Percentage: [●]
- (xxvi) Multiplier: [One/give details]
- (xxvii) Weighting for each Commodity comprising the basket: [Not Applicable/give details]
- (xxviii) Correction of Commodity Reference Prices: Correction of Commodity Reference Prices [applies/does not apply and the Reference Price shall be calculated without regard to any subsequently published correction]
(If Correction of Commodity Reference Prices does not apply, delete the following sub paragraph)
- [Correction Cut-Off Date: [In relation to any Initial Averaging Date, [●] Business Days after the relevant Averaging Date and in relation to any Final Averaging Dates, [●] Business Days prior to the Maturity Date.] [In relation to the Initial Valuation Date, [●] Business Days after the Initial Valuation Date and in relation to the Final Valuation Date, [●] Business Days prior to the Maturity Date]]
- (xxix) Trade Date: [●]
- (xxx) Other terms and special conditions: [●]
[Condition 12.F.4 applies and the provisions of [Condition 12.A.3(i) and 12.A.3(ii)] [and] [Condition 12.C] [apply/applies] to the Notes] *(NB: Only applicable if the relevant Commodity is a Commodity Index)*
34. **Additional Disruption Events (applicable to Index-Linked Redemption Notes and Equity-Linked Redemption Notes and, if so specified herein, Commodity-Linked Notes only):** [Applicable/Not Applicable]
[Additional Disruption Events are only applicable to certain types of Index-Linked Redemption Notes or Equity-Linked Redemption Notes and, if so specified herein, Commodity-Linked Notes]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Change in Law: [Applicable/Not Applicable]
- (ii) Hedging Disruption: [Applicable/Not Applicable]
- (iii) Increased Cost of Hedging: [Applicable/Not Applicable]
- (iv) Increased Cost of Stock Borrow: [Applicable/Not Applicable]

(If applicable, include the following)

[The Initial Stock Loan rate in respect of *[specify in relation to each Underlying Equity/Component Security]* is: [●]]

- (v) Insolvency Filing: [Applicable/Not Applicable]

(N.B. Only applicable in the case of Equity-Linked Interest Notes)

- (vi) Loss of Stock Borrow: [Applicable/Not Applicable]

(If applicable, include the following)

[The Maximum Stock Loan Rate in respect of *[specify in relation to each Underlying Equity/Component Security]* is: [●]]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 35. Form of Notes: [Bearer Notes]

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [●] days' notice/at any time/in the limited circumstances described in the Permanent Global Note]

[Temporary Global Note exchangeable for Definitive Notes]

[Permanent Global Note exchangeable for Definitive Notes on [●] days' notice/at any time/in the limited circumstances described in the Permanent Global Note]

(N.B. In the case of Bearer Notes, the exchange upon notice/at any time options as specified above and in the Conditions should not be expressed to be applicable if the Specified Denomination of the Notes in item 6 includes language substantially to the following effect: “[EUR 100,000 and integral multiples of EUR 1,000 in excess thereof and up to and including EUR 199,000].”)

[VP Systems Notes issued in uncertificated and dematerialised book entry form. See further item [12] of Part B below.]

36. New Global Note form: [Applicable/Not Applicable]
37. Applicable Financial Centre(s) or other special provisions relating to Payment Business Days: [Give details. See definition of Payment Business Day in the Conditions. Note that this item relates to the date and place of payment, and not to Interest Payment Dates]
38. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
39. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made[: and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment]: [Not Applicable/give details]
40. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made and whether Receipts are to be attached to Instalment Notes which are Definitive Notes: [Not Applicable/give details]
41. 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

42. (i) If syndicated, names [and addresses]** of Managers [and underwriting commitments]**: [Not Applicable/give names[, addresses and underwriting commitments]**]
- (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.)***
- (ii) Date of Subscription Agreement **: [●]**
- (iii) Stabilising Manager(s) (if any): [Not Applicable/give name]

In connection with the issue of any Tranche of

Notes, [*name of stabilising manager(s)*] (the “Stabilising Manager”) (or persons acting on behalf of the Stabilising Manager) may over allot Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin at any time after the adequate public disclosure of the terms of the offer of the relevant Tranche of Notes and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Such stabilising or over allotment shall be conducted in accordance with all applicable laws, regulations and rules.

43. If non-syndicated, name [and address]** of [Not Applicable/give name [*and address*]**] Dealer:

44. Total commission and concession** : [●] per cent. of the Aggregate Nominal Amount**

45. Additional selling restrictions: [Not Applicable/give details]

[In respect of the U.S. Selling Restrictions, specify whether Regulation S Category 2 restrictions apply to the Notes. Specify whether TEFRA C, TEFRA D Rules apply or whether TEFRA Rules are not applicable.]

46. Non-exempt Offer: [Not Applicable] [An offer of the Notes may be made by the Managers [and [*specify names of other financial intermediaries/placers making non-exempt offers, to the extent known OR consider a generic description of other parties involved in non-exempt offers (e.g. “other parties authorised by the Managers”) or (if relevant) note that other parties may make non-exempt offers in the Public Offer Jurisdictions during the Offer Period, if not known*]] (together with the Managers, the “**Financial Intermediaries**”) other than pursuant to Article 3(2) of the Prospectus Directive in [*specify relevant Member State(s) - which must be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)*] (“**Public Offer Jurisdictions**”) during the period from [*specify date*] until [*specify date or a formula such as “the Issue Date” or “the date which falls [●] Business Days thereafter”*] (the “**Offer**

Period”). See further item [13] of Part B below.

(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the Base Prospectus (and any supplement) has been notified/passported.)

[PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required [for public offer in the Public Offer Jurisdictions and] to list and have admitted to trading the issue of Notes described herein pursuant to the Danske Bank A/S EUR 5,000,000,000 Structured Note Programme.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. *[[Relevant third party information, for example in compliance with Annex XII to the Prospectus Directive Regulation in relation to an index or its components]* has been extracted from *[specify source]*. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by *[specify source]*, no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

By:

Duly authorised

CC: Citibank, N.A., London Branch as Fiscal Agent

PART B - OTHER INFORMATION¹

1. Listing and Admission to Trading

- (i) Listing: [The Official List of the Luxembourg Stock Exchange within the meaning of the Prospectus Directive/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [●] with effect from [●]/Not Applicable]
- (Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)*
- (iii) Estimate of total expenses related to admission to trading* : [●]*

2. Ratings

Ratings: [Not Applicable/The Notes to be issued [[have been]/[are expected to be]] rated [●] by [*insert the legal name of the relevant credit rating agency entity(ies)*].

[There is no guarantee that any of the above ratings will be maintained following the date of these Final Terms. Up-to-date information should always be sought by direct reference to the relevant rating agency.] [*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.*] **

(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.)

[[*Insert the legal name of the relevant credit rating agency entity*] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). As such [*insert the legal name of the relevant credit rating agency entity*] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). [*Insert the legal name of the relevant non-EU credit rating agency entity*] is therefore not included in the list of credit rating agencies published by the European Securities and Markets Authority on its

website in accordance with the CRA Regulation.]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the “**CRA Regulation**”). The ratings have been endorsed by [*insert the legal name of the relevant EU-registered credit rating agency entity*] in accordance with the CRA Regulation. [*Insert the legal name of the relevant EU-registered credit rating agency entity*] is established in the European Union and registered under the CRA Regulation. As such [*Insert the legal name of the relevant EU-registered credit rating agency entity*] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**), but it is certified in accordance with the CRA Regulation EITHER [and it is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation] OR [although notification of the corresponding certification decision has not yet been provided by the European Securities and Markets Authority and [*insert the legal name of the relevant non-EU credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]

3. **[Interests of Natural and Legal Persons involved in the [Issue/Offer]**

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

Save as discussed in the “Subscription and Sale” section of the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.]

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: [●]

(If proceeds are intended for more than one use will need

*to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)***

[(iii)] Estimated total expenses: [●]

*[Include breakdown of expenses.]***

(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

5. **[Fixed Rate Notes only – Yield**

Indication of yield: [●]

*[Calculated as [include details of method of calculation in summary form] on the Issue Date.]***

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]¹

6. **[[Floating Rate Notes only – Historic Interest Rates****

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]

7. **[[Performance of [Index/Basket of Indices], explanation of effect on value of investment and associated risks and other information concerning the [Index/Basket of Indices]: (Index-Linked Notes only)²**

[If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

[Need to include details of where past and future performance and volatility of [the/each] index can be obtained] [Need to include the name of [the/each] index and a description if composed by the Issuer and if [the/each] index is not composed by the Issuer need to include details of where the information about [the/each] index can be obtained.]

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

[Include any disclaimer wording required by the Index Sponsor(s)]

(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.)

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information]]

8. **[[Performance of [Underlying Equity/Basket of Underlying Equities], explanation of effect on value of investment and associated risks and other information concerning the [Underlying Equity/Basket of Underlying Equities]: (Equity-Linked Notes only)²**

[If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

[Need to include details of where past and future performance and volatility of [the/each] underlying equity can be obtained.] [Need to include the name of [the/each] issuer of [the/each] underlying equity and the ISIN or other identification code]

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

(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.)

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information]]

9. **[[Performance of [[rate[s] of exchange/formula/currencies], explanation of effect on value of investment and associated risks and other information concerning the of [[rate[s] of exchange/formula/currencies]: (Currency-Linked Notes only)²**

[If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

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

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

(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.)

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information]]

10. **[[Performance of [Index/Indices], explanation of effect on value of investment and associated risks and other information concerning the [Index/Indices]: (Inflation-Linked Notes only)²**

[If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

[Need to include details of where past and future performance and volatility of [the/each] index can

be obtained] [Need to include the name of [the/each] index and need to include details of where the information about [the/each] index can be obtained.]

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

(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.)

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information]]

11. **[[Performance of [Commodity/Basket of Commodities], explanation of effect on value of investment and associated risks and other information concerning the [Commodity/Basket of Commodities]: (Commodity-Linked Notes only)²**

[If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

[Need to include details of where past and future performance and volatility of [the/each] commodity/formula can be obtained] [Need to include the name of [the/each] commodity and need to include details of where the information about [the/each] commodity can be obtained.]

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

(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.)

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information]]

12. **[Operational Information:**

ISIN Code:

Common Code:

New Global Note intended to be held in a manner which would allow Eurosystem eligibility: [Not Applicable³/Yes/No]

Note that the designation “Yes” simply means that the Notes are intended upon issue to be deposited with Euroclear or Clearstream, Luxembourg as common safe-keeper 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 Bearer Notes must be issued in NGN form]

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking société anonyme and the relevant identification number(s): [Not Applicable/*give name(s) and number(s)*]/VP, VP identification number: [●]/VPS, VPS identification number: [●]/Euroclear Finland, Euroclear Finland identification number: [●]/Euroclear Sweden, Euroclear Sweden identification number: [●].]

The Issuer shall be entitled to obtain certain information from the register maintained by [the VP/the VPS/Euroclear Finland/ Euroclear Sweden] for the purpose of performing its obligations under the issue of VP Systems Notes] (*delete as applicable*)

Settlement Procedures: [Specify whether customary medium term note/ other settlement and payment procedures apply]

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any): [●]

13. **[Terms and Conditions of the Offer:**

Offer Price: [Issue Price/Not Applicable/*specify*]

[Conditions to which the offer is subject:] [Not Applicable/*give details*]

[Description of the application process]: [Not Applicable/*give details*]

[Details of the minimum and/or maximum amount of application]: [Not Applicable/*give details*]

[Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants]: [Not Applicable/*give details*]

[Details of the method and time limits for paying up and delivering the Notes:] [Not Applicable/*give details*]

[Manner in and date on which results of the offer are to be made public:] [Not Applicable/*give details*]

[Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:] [Not Applicable/*give details*]

[Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:] [Not Applicable/*give details*]

[Process for notification to applicants of the amount allotted and the indication [Not Applicable/*give details*]

whether dealing may begin before notification is made:]

[Amount of any expenses and taxes specifically charged to the subscriber or purchaser:] [Not Applicable/*give details*]

[Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.] [None/*give details*]

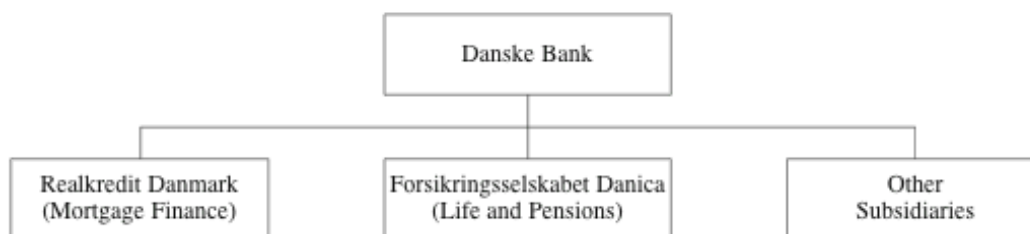
- 1 Complete section only if applicable. Otherwise delete and re-number sections accordingly.
- 2 Required for derivative Securities to which Annex XII to the Prospective Directive Regulation applies.
- 3 Specify "Not Applicable" if the Notes being used are CGNs.
- * Delete if the minimum denomination is less than EUR 100,000 (or its equivalent).
- ** Delete if the minimum denomination is greater than or equal to EUR 100,000 (or its equivalent).

USE OF PROCEEDS

The net proceeds of the issue of each Tranche of Notes will be applied by the Issuer to meet part of its general financing requirements. If, in respect of any particular issue of Notes which are derivative securities for the purposes of Article 15 of the Commission Regulation No 809/2004 implementing the Prospectus Directive, there is a particular identified use of proceeds, this will be stated in the relevant Final Terms.

DESCRIPTION OF THE DANSKE BANK GROUP

The general corporate structure of the Danske Bank Group (the “**Danske Bank Group**” or the “**Group**”) is as shown below:



Overview

The Group is the leading financial service provider in Denmark – and one of the largest in the Nordic region – measured by total assets as at 31 December 2011. The Group offers its customers in Denmark and in its other markets a broad range of services that, depending on the market, include services in banking, mortgage finance, insurance, trading, leasing, real estate agency and investment management. The Group has a leading market position in Denmark and is one of the larger banks in Northern Ireland and Finland. The Group also has significant operations in its other main markets of Sweden, Norway, Ireland, and the Baltics. The Group currently serves approximately five million customers and approximately 2.1 million customers use the Group’s online services. As at 31 December 2011, the Group’s total assets amounted to DKK 3,424 billion and the Group employed approximately 21,300 employees.

Danske Bank A/S (“**Danske Bank**” or the “**Bank**”) is the parent company of the Group. The Bank is an international retail bank that operates in 15 countries with a focus on the Nordic region. In Denmark, customers are also served by head office departments, finance centres and subsidiaries. The Group has branches in London, Hamburg and Warsaw and a representative office in Moscow. Its subsidiary in Luxembourg serves private banking customers and another in St. Petersburg serves corporate banking customers. The Group also conducts broker-dealer activities in New York.

The registered office of the Bank is at 2-12 Holmens Kanal, DK-1092 Copenhagen K, Denmark, with telephone number +45 33 44 00 00 and Danish corporate registration number 61126228.

The Bank’s History and Development

The Bank was founded in Denmark in 1871 and has, through the years, merged with a number of financial institutions. The Bank is a commercial bank with limited liability and carries on business under the Danish Financial Business Act.

Through the past 15 years, the Bank strengthened its position in the Nordic region through acquisitions. In 1997, it acquired Östgöta Enskilda Bank in Sweden, in 1999, Fokus Bank A/S (“**Fokus Bank**”) in Norway and, in 2000, RealDanmark and its subsidiaries BG Bank A/S and Realkredit Danmark. Furthermore, on 1 March 2005, the Bank acquired Northern Bank Limited (“**Northern Bank**”) in Northern Ireland and National Irish Bank in the Republic of Ireland, and, on 1 February 2007, the purchase of Sampo Bank in Finland, including Sampo Bank’s activities in the three Baltic countries and a subsidiary in St. Petersburg, Russia, was completed.

Effective 1 June 1998, all branches of Östgöta Enskilda Bank were converted into branches of the Bank and, effective 1 April 2007, Fokus Bank and National Irish Bank were converted into branches of the Bank and, in June 2008, the three Baltic banks, AS Sampo Pank in Estonia, AS Sampo Banka in Latvia and AB Sampo bankas in Lithuania, were converted into branches of the Bank.

Financial highlights

| | (DKKm) | | Index | (EURm) | |
|---------------------------------------|-----------|-----------|-------|---------|---------|
| | 2011 | 2010 | 11/10 | 2011 | 2010 |
| Danske Bank Group | | | | | |
| Total income | 43,377 | 46,277 | 94 | 5,835 | 6,208 |
| Expenses | 25,987 | 26,010 | 100 | 3,496 | 3,489 |
| Profit before loan impairment charges | 17,390 | 20,267 | 86 | 2,339 | 2,719 |
| Loan impairment charges | 13,185 | 13,817 | 95 | 1,774 | 1,854 |
| Profit before tax | 4,205 | 6,450 | 65 | 566 | 865 |
| Total assets | 3,424,403 | 3,213,886 | 107 | 460,628 | 431,139 |
| Loans and advances | 1,126,482 | 1,146,731 | 98 | 151,527 | 153,832 |
| Loans and advances at fair value | 720,741 | 701,715 | 103 | 96,949 | 94,134 |
| Trading portfolio assets | 909,755 | 641,993 | 142 | 122,374 | 86,123 |
| Deposits | 848,994 | 861,053 | 99 | 114,201 | 115,509 |
| Earnings per share (DKr) | 1.9 | 4.9 | — | 0.3 | 0.7 |
| Solvency ratio (%) | 17.9 | 17.7 | — | — | — |
| Tier 1 capital ratio (%) | 16.0 | 14.8 | — | — | — |
| Exchange rate (End of period) | | | | 743.42 | 745.44 |

Source: Annual Report 2011, pgs. 6 and 62. The EUR amounts have been calculated based on the DKK/EUR fixing as published by Danmarks Nationalbank End-year 2011 and End-year 2010, respectively, for the amount of DKK per 100 EUR .

Share ratios have been divided by a factor of 1.0807 to reflect the share capital increase in April 2011.

Business Units

The Group has until 1 June 2012 operated its business through five business units: Banking Activities, Danske Markets, Danske Capital, Danica Pension and Other Activities.

As of 1 June 2012 the Group has created a new organisation structured around three business units: Personal Banking, Business Banking and Corporates & Institutions. The description of the business units below is based on the organisational structure until 1 June 2012. The organisational structure as of 1 June 2012 is further described under “Organisational Changes” below.

Banking Activities

Banking Activities provides products and services to all types of retail and corporate customers. The Group’s finance centres serve large business and private banking customers. Banking Activities also encompasses all the Group’s property finance operations and real estate agency businesses. Mortgage finance operations in Denmark are carried out through Realkredit Danmark. Real estate agency operations are carried out by “home” in Denmark, Skandia Mäklarna in Sweden and Fokus Krogsveen in Norway.

The following table sets forth certain information with respect to the Group's Banking Activities business in each of the principal geographic areas in which it operates:

| As at 31 December 2011 | | | |
|-------------------------------------|---------------------------------------|---------------------------|---|
| | Principal brands | Number of branches | Approximate number of customers (in thousands) |
| Banking Activities Denmark | Danske Bank Realkredit Danmark | 317 | 2,300 |
| Banking Activities Finland | Sampo Pankki | 119 | 1,210 |
| Banking Activities Sweden | Östgöta Enskilda Bank Provinsbankerna | 50 | 241 |
| Banking Activities Norway | Fokus Bank | 45 | 286 |
| Banking Activities Northern Ireland | Northern Bank | 76 | 528 |
| Banking Activities Ireland | National Irish Bank | 32 | 164 |
| Banking Activities Baltics | Sampo Pank (Estonia) | 16 | 134 |
| | Danske Banka (Latvia) | 4 | 13 |
| | Danske Bankas (Lithuania) | 13 | 152 |

On 1 January 2011 Banking Activities was split into Retail and Corporate & Institutional Banking (CIB) in the Nordic Markets. In connection with the establishment of the Group's new Corporate Banking unit, Corporate Finance was transferred from Danske Markets to Banking Activities at 1 January 2011. Corporate Finance provides financial products, advisory services on mergers and acquisitions, and assistance with equity and debt issues in the international financial markets to large corporate customers and institutional clients.

Danske Markets

Danske Markets is responsible for the Group's activities in the financial markets. Trading activities include trading in, among other things, fixed-income products, foreign exchange and equities. Group Treasury is responsible for the Bank's strategic fixed-income, foreign exchange and equity portfolios. Institutional Banking includes services provided to international financial institutions outside the Nordic region, whereas services provided to Nordic financial institutions are part of the Group's Banking Activities. As at 31 December 2011, Danske Markets had 852 employees.

Danske Capital

Danske Capital develops and sells asset management solutions and wealth management products and services that are marketed through the Group's branch network and financial centres and directly to businesses, institutional customers and external distributors. Danske Capital supports the Group's Banking Activities by developing and maintaining the Group's Private Banking and wealth management concept. Danske Bank International in Luxembourg provides international private banking services to customers outside the Group's home markets. As at 31 December 2011, Danske Capital had 569 employees and is represented in Denmark, Sweden, Norway, Finland, Estonia, Lithuania and Luxembourg. As at 31 December 2011, the assets managed by Danske Capital amounted to DKK 606 billion.

Danica Pension

The Group's insurance activities comprise conventional life insurance, unit-linked insurance and personal accident insurance. Danica Pension targets both personal and corporate customers. Its products are marketed through a range of distribution channels within the Group, primarily banking units and Danica Pension's own agents and advisers. Danica Pension sells two market-based product groups: Danica Balance and Danica Link. Products in these groups allow customers to select their own investment profiles, and the return on savings depends on market trends. Danica Pension also sells Danica Traditionel, a product that does not offer individual investment profiles and for which Danica Pension sets the rate of interest on policyholders' savings. As at 31 December 2011, Danica Pension had 833 employees.

As at 31 December 2011, Danica Pension's total investment assets (customer funds) amounted to DKK 264 billion, with unit-linked assets (assets managed on behalf of policy holders) amounting to DKK 76 billion.

Other Activities

Other Activities includes the Group's support functions and real property activities. Other Activities also includes intra-group eliminations, including the elimination of returns on own shares. Furthermore, Other Activities includes the Group's capital centre. The Group's support functions mainly consist of Group Business Development & Marketing, Shared Services Center, Group HR, Group Communications, Group Finance, Group Credits and Group Risk.

Funding structure

The Group regularly monitors the composition of its funding to ensure that it has a well-diversified funding base. The Group's retail deposits play an important role in this regard.

In addition, the Group has comprehensive and well-established funding programmes, including covered bonds. The existing CP and EMTN programmes are used for short- and medium-term funding, while covered bond issues are used mainly for longer-term funding. Covered bonds thus help diversify the Group's funding across investors and maturities.

Group funding sources (by type) (Year-end)

| (%) | 2011 | 2010 |
|--|------|------|
| Central banks, Credit institutions and repo transactions | 19 | 15 |
| Short-term bonds | 3 | 7 |
| Long-term bonds | 13 | 13 |
| Danish mortgage bonds (match-funded) | 24 | 24 |
| Deposits | 33 | 34 |
| Subordinated debt | 3 | 3 |
| Shareholders' equity | 5 | 4 |
| Total | 100 | 100 |

Source: Annual Report 2011, pg. 155.

The Group has two channels through which it grants mortgage loans: (i) Realkredit Danmark A/S; and (ii) the Bank itself.

The mortgage loans on the Realkredit Danmark A/S platform are match-funded through the issuance of mortgage bonds according to the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds, etc. Act and executive orders issued by the Danish Financial Supervisory Authority (*Finanstilsynet*) (the "DFSA"). Match-funding means that the Group has no refinancing or interest rate risk on the loans.

Realkredit Danmark A/S currently issues mortgage covered bonds only through the Capital Centres of Realkredit Danmark A/S.

Shareholders' equity

The Bank's shareholders' equity was DKK 126 billion (EUR 16.9 billion) as at the end of 2011 against DKK 105 billion (EUR 14 billion) at the end of 2010. The development in the Bank's equity reflect primarily total comprehensive income for the year.

At the end of 2011, Danske Bank's authorised and issued share capital totalled DKK 9,317,390,340 (EUR 1,253 million) based on 931,739,034 shares of DKK 10 (EUR 1.3) each. Danske Bank's shares are listed on the NASDAQ OMX, Copenhagen.

At year-end 2011, Danske Bank had approximately 338,000 shareholders. According to the Danish Companies Act, shareholders must notify a company if their shareholding exceeds 5 per cent. of the company's share capital or higher percentages divisible by 5. Three shareholder groups have notified the Bank that they hold more than 5 per cent. of its share capital by year-end 2011:

A.P. Møller and Chastine Mc-Kinney Møller Foundation, Copenhagen, held a total of (directly and indirectly) 22.84 per cent. of the share capital of which A.P. Møller-Maersk A/S directly holds 20 per cent.;

Realdania, Copenhagen, held directly 10.07 per cent. of the share capital; and

Cevian Capital II GP Limited, held 5.02 per cent. of the share capital.

The Bank estimates that approximately 37 per cent. of its share capital is held by investors outside of Denmark. Most foreign investors are based in the U.S. and the U.K.

In anticipation of the forthcoming new Basel III capital requirements, the Group strengthened its capital position in the Spring of 2011 through a fully underwritten rights offering. The purpose of the offering was, initially, to increase the Bank's shareholders' equity to a level that management considered prudent in view of the forthcoming regulation.

Net proceeds from the rights offering amounted to DKK 19.8 billion. Afterwards, the share capital totalled DKK 9,317,390,340 (EUR 1,249 million)¹ and shares numbered 931,739,034.

Capital and Solvency

Pursuant to the Danish Act No. 67 of 3 February 2009 on State Capital Injections in Credit Institutions etc., as amended by the Consolidated Act. No. 876 of 15 September 2009, Act No. 516 of 12 June 2009, Act No. 1273 of 16 December 2009 and Act No. 556 of 21 December 2010, (the "**Credit Act**"), a scheme has been set up whereby the Danish state will offer to inject state funded tier 1 hybrid capital and/or to underwrite issues of tier 1 hybrid capital for Danish banks and mortgage credit institutions. The capital injections will be in the form of tier 1 hybrid capital without a set maturity and a possibility for redemption after three years. Redemption will be subject to approval from the DFSA.

At the general meeting of the Issuer held on 4 March 2009, the shareholders authorised the Board of Directors to apply for and implement a tier 1 hybrid capital injection from the Danish state. In May 2009, Danske Bank and Realkredit Danmark received subordinated loan capital from the Danish state in the form of hybrid core capital of approximately DKK 24 billion and approximately DKK 2 billion, respectively. The subordinated loans have strengthened the capital base, and the Group is better prepared to withstand losses that any further negative economic developments may cause. The following table below shows the solvency ratio, tier 1 capital ratio and core tier 1 capital ratio excluding hybrid capital. The second table shows the risk-weighted assets, subordinated debt and hybrid capital. The interest rate (defined as "**annual yield**") on the loans from the Danish state is 9.265 per cent. per annum, with an annual premium of 0.5 of a percentage point per annum for the conversion option. The interest rate will increase if the Issuer pays dividends in excess of DKK 4.9 billion per annum.

Pursuant to the agreement on state-funded capital injection between the Issuer and the Danish state, dated 5 May 2009 (the "**State-funded Hybrid Agreement**"), the Issuer is subject to, amongst other things, restrictions on capital reductions, share repurchases and the terms of new and existing share issues, restrictions on the distribution of dividends, restrictions on the use of funds to capitalise businesses in violation of the Credit Act and certain conditions concerning executive pay and bonuses. The State-funded Hybrid Agreement is annexed to the Articles of Association which are available for inspection at the places specified in "General Information".

¹ The EUR amounts have been calculated based on the DKK/EUR fixing as published by Danmarks Nationalbank on 6 April 2011. FX rate at 6 April 2011 = 7.4569 DKK pr. EUR

Danske Bank Group

| (%) | 31 Dec. 2011 | 31 Dec. 2010 |
|--|--------------|--------------|
| Solvency ratio | 17.9 | 17.7 |
| Tier 1 capital ratio | 16.0 | 14.8 |
| Core tier 1 capital ratio, excluding hybrid core capital | 11.8 | 10.1 |

Note: The ratios are calculated in accordance with the Capital Requirements Directive.

Source: Annual Report 2011, pg. 65.

| Danske Bank Group | (DKKm) | (EURm) | | |
|---|-----------------|-----------------|-----------------|-----------------|
| | 31 Dec. 2011 | 31 Dec. 2010 | 31 Dec. 2011 | 31 Dec. 2010 |
| Risk-weighted assets | 905,979 | 844,209 | 121,866 | 113,250 |
| Subordinated debt, excluding hybrid capital | 18,727 | 29,552 | 2,519 | 3,964 |
| Hybrid capital | 44,850 | 44,604 | 6,033 | 5,984 |
| Hybrid capital included in tier 1 capital | 42,366 | 42,208 | 5,699 | 5,662 |

Source: (DKK amounts) Annual Report 2011, pgs. 65 and 104.

At 31 December 2011, the solvency ratio was 17.9 per cent., with 11.8 percentage points deriving from core tier 1 capital and 16.0 from tier 1 capital.

At the end of 2011, the Group's risk-weighted assets ("**RWA**") amounted to DKK 906.0 billion, against DKK 844.2 billion at the end of 2010. One of the main factors behind the change in RWA in 2011 totalling DKK 61.8 billion was the financial crisis, which presented challenges for Danske Bank's models and parameters, especially those for credit risk. This led the Group to give more attention to improving and further developing the model apparatus. In the third quarter of 2011, it introduced new models for calculating loss given default and through-the-cycle probability of default that led to an increase in RWA of DKK 34 billion. The Group believes that the new model apparatus produces sufficiently conservative calculations.

Another important factor was the new capital requirements for market risk that took effect at the end of 2011 as mandated by the Capital Requirements Directive III ("**CRD III**") and include a requirement to use stressed value at risk ("**VaR**") to calculate market risk. Taken in isolation, CRD III caused an increase in RWA of DKK 11.5 billion.

Risk Management

Introduction

The Bank's Rules of Procedure for the Board of Directors and the Executive Board (the "**Rules of Procedure**") specify the responsibilities of the two boards and the division of responsibilities between them. The Rules of Procedure and the two-tier management structure, which were developed in accordance with Danish legislation, are central to the organisation of risk management and the policy on lending authority limits in the Group.

The Board of Directors lays down overall policies, while the Executive Board is in charge of the Group's day-to-day management. The risk and capital management functions are separate from the credit assessment and credit-granting functions.

Responsibility for the day-to-day management of risks in the Group is divided between Group Risk, Group Finance, Group Credit and Group Treasury. The Group has established a segregation of duties

between units that enter into business transactions with customers or otherwise expose the Group to risk on the one hand, and units in charge of overall risk management on the other.

Group Risk

Group Risk has overall responsibility for monitoring the Group's risk policies and for monitoring, following up and reporting on risks across risk types and organisational units. The head of Group Risk, the chief risk officer ("CRO"), reports directly to the chairman of the Executive Board and is a member of the Executive Committee.

Group Risk supports the rest of the risk management organisation in risk management practices and reporting. Group Risk serves as the secretariat of the All Risk Committee and the CRO chairs the Model and Parameters Committee, which monitors the Group's use of risk models, the results of backtests and changes to parameters. The CRO also chairs the Operational Risk Committee which evaluates the management of the Group's key operational risks, and the Product Risk Review Committee which assesses risks related to possible new products. A specialised department under Group Risk is responsible for the day-to-day monitoring of operational risks.

In addition, Group Risk serves as a referral resource for the local risk committees and is responsible for the Group's relations with international rating agencies.

Group Finance

Group Finance oversees the Group's financial reporting, budgeting and strategic business analysis, including the tools used by the business units for performance follow-up and analysis.

The department is also in charge of the Group's investor relations, capital structure and merger and acquisition activities. In addition, it is responsible for the day-to-day monitoring and control of market risk as well as the compilation of risk-weighted assets and the Group's internal capital adequacy assessment process ("ICAAP").

Group Credit

Group Credit has overall responsibility for the credit process at all of the Group's business units. Group Credit is responsible for approvals that exceed the local lending authority, for setting cross-organisational credit policies, for controlling the ongoing approval and follow-up processes in the lending book, and for determining the portfolio limits for specific industries and countries as well as the quarterly process of calculating the impairment of exposures.

Group Credit reports to executive management on developments in the Group's credit risk. The department is also responsible for preparing management reporting on credits, for the monitoring of credit approvals at the individual branches, and for determining the requirements for the Group's credit systems and processes.

Group Treasury

Group Treasury is responsible for determining liquidity risk and funding needs. It is also responsible for conducting liquidity stress testing for the purposes of assessing the Group's liquidity risks.

Group Treasury also ensures that the Group's structural liquidity profile makes it possible for the Group to comply with the limits and meet the targets set by the Board of Directors and the All Risk Committee at the present time and in the future as well.

Business Units

The business units' capacity to expose the Group to risks in their daily work is managed by risk policies, instructions and limits. The Group's risk culture is intended to ensure that the Group undertakes only the risks selected and agreed upon.

Risk areas such as market risk and liquidity risk are managed centrally in the organisation. New measures from local regulators, however, have led the Group to increase the degree of decentralisation, especially of liquidity risk management. For example, local asset and liability management committees have been set up in a number of business units.

Lending authority for specific customer segments and products has been granted to the individual business units. The business units carry out the fundamental tasks required for optimal risk management. These include updating the registrations about customers that are used in risk management tools and models as well as maintaining and following up on customer relationships.

Each business unit is responsible for preparing documentation before undertaking business transactions and for recording the transactions properly. Each unit is also required to update information on customer relationships and other issues as may be necessary.

The business units must also ensure that all risk exposures comply with specific risk limits as well as the Group's other guidelines.

Legal Proceedings

Owing to its business volume, the Group is continually a party to various lawsuits. In view of its size, the Group does not expect the outcomes of the cases pending to have any material effect on its financial position.

Bank Packages

Chapter 4a of the Danish Act No. 1003 of 10 October 2008 on Financial Stability ("**Bank Package I**"), as amended by Consolidated Act No. 875 of 15 September 2009, Act No. 516 of 12 June 2009, Act No. 1273 of 16 December 2009, Act No. 721 of 25 June 2010, Act No. 1556 of 21 December 2010 and Act No. 619 of 14 June 2011, and as further amended from time to time (the "**Act on Financial Stability**"), established a transition scheme whereby a Danish bank could apply individually for a state guarantee of its unsubordinated and unsecured debt and of its supplemental security (junior covered bonds) in respect of its covered bonds, in each case issued no later than 31 December 2010 with a maturity of up to three years (the "**Transition Scheme**" or "**Bank Package II**"). Applications for a state guarantee under the Transition Scheme had to be submitted no later than 31 December 2010. The Danish Minister of Economic and Business Affairs is authorised to extend the 31 December 2010 time limit referred to above.

The Issuer was eligible to apply for a state guarantee in respect of its unsubordinated and unsecured debt, including unsubordinated notes, and its Senior Debt (junior covered bonds), in each case issued no later than 31 December 2010 with a maturity up to three years, provided that the Issuer satisfied the solvency requirements in the Danish Financial Business Act.

The state guarantee of the Transition Scheme has been granted individually and the terms of the state guarantee has been set out in an individual guarantee document, the terms of which depended on bilateral discussions between the bank applying for the state guarantee and Finansiel Stabilitet A/S (the Financial Stability Company) which administers the Transition Scheme.

The state guarantees falling under the Transition Scheme is subject to the payment of a guarantee commission which was fixed individually for each bank. The Danish Ministry of Economic and Business

Affairs has issued an executive order governing the determination and calculation of the guarantee commission.

With effect from 1 October 2010 the Act on Financial Stability was amended *inter alia* to allow for a controlled winding-up of a distressed bank through the Financial Stability Company which is known as “**Bank Package III**”. The new resolution scheme is voluntary and contains no general state guarantee of creditors.

The intention of the new winding-up procedures is to wind up a distressed bank faster than under the traditional bankruptcy procedures. The new procedures do not alter the risk for the creditors, which is that under both the new winding-up procedures and the traditional bankruptcy procedures, the creditors may lose all or part of their claims.

The Act on Financial Stability was further amended with effect from 23 June 2011 in order to allow for the Guarantee Fund for Depositors and Investors to contribute with a financial inducement to encourage a sound bank to take over all activities of a distressed bank, including all unsubordinated and unsecured claims. On 25 August 2011 a number of consolidation initiatives was agreed upon by the vast majority of the political parties in the Danish Parliament (“**Bank Package IV**”). Bank Package IV provides for a strengthening of the compensation scheme in order to create greater incentives for sound banks to wholly or partly take over a bank in distress. In particular, Bank Package IV provides for the Danish state to contribute in the compensation scheme with an amount up to the equivalent of the haircut that would have been imposed on any state guaranteed bonds that were issued by the bank in distress. Contrary to Bank Package III, the unsubordinated and unsecured senior creditors will not suffer any loss if Bank Package IV is applied.

Recent Developments

Capital

The Group’s strong financial position was confirmed by the EBA’s capitalisation test of European banks, which was published in December 2011. This test was conducted to assess European banks’ need for recapitalisation. As expected, the Group passed the test with a capital level substantially above the EBA’s requirement.

Restrictions on Distributions

As a result of the Bank’s participation in the Danish bank packages, the Bank could not distribute dividends for the financial years ended 31 December 2008 and 2009. Since 1 October 2010, and for as long as the Danish state holds hybrid capital in Danske Bank, the Group may distribute dividends only if the dividends can be paid in full out of the net profit. The loan agreement with the Danish state also stipulates an increase in the interest rate if annual dividend payments exceed DKK 4.9 billion.

In view of the macroeconomic and regulatory uncertainty, the Board of Directors is recommending that no dividend be paid for 2011.

New Regulations

New regulations for the financial sector are being proposed in the EU and beyond. The Group follows this process closely and supports measures that strengthen the resilience of the sector and its ability to support economic growth. The Group is of the opinion that the Basel III guidelines generally meet this criterion.

European implementation of the Basel III Framework

In December 2010, the Basel Committee on Banking Supervision adopted proposals imposing, among other things, stricter capital and liquidity requirements upon banks (“**Basel III**”). On 20 July 2011,

the European Commission adopted its more than 600 page proposal for a review of the Capital Requirements Directive IV (“**CRD IV**”), including implementation of Basel III in the EU. Negotiations in the Council and European Parliament will take place until a final agreement between the Council, the Parliament and the Commission is expected in mid- or late 2012. Thus, the rules have not yet finally been decided upon. The rules will enter into force by 1 January 2013. However, with respect to capital, transitional arrangements are proposed to be in place until 2019 (though with flexibility for national authorities to implement the requirements faster than the Basel III transitioning path), and liquidity binding requirements will first apply from 2015 when more detailed rules have been decided.

Under the CRD IV and Basel III framework, the minimum capital requirement for common equity tier 1 (“**CET1**”) (which does not include hybrid capital) will be phased in gradually from the current 2 per cent. of risk-weighted assets to up to 9.5 per cent. in 2019. The 9.5 per cent. requirement will include a “capital conservation buffer requirement” of 2.5 per cent. and a “countercyclical buffer requirement” of 0-2.5 per cent. in addition to the minimum requirement of 4.5 per cent. The countercyclical buffer requirement will apply in periods of excess lending growth in the economy and can vary for each jurisdiction. For each systemic important bank (“**SIB**”) there will be additional buffer requirements on top of the 9.5 per cent. However, it is still uncertain whether the SIB buffer requirements will be included in the final agreement on CRD IV or whether it will solely be at national discretion to decide the SIB buffer requirements. In Denmark a SIB expert committee has recently been established by the minister for business and growth. The committee is to produce a recommendation by the end of 2012 which will include criteria and requirements for being a Danish SIB. Danske Bank expects that it will be considered to be a Danish SIB.

If a bank does not maintain these buffers (in excess of the 4.5 per cent. CET1 minimum requirement), restrictions will be placed on its ability to pay dividends and make other payments. The framework also contains stricter requirements for the quality of capital that may count as CET1 capital and for the calculation of risk-weighted assets. On the basis of the proposals, the Issuer estimates that its CET1 capital ratio of 11.8 per cent. as at 31 December 2011 will be reduced by approximately 0.7 percentage points when calculated on the basis of fully phased-in rules. Two factors contribute to this decrease: risk-weighted assets for mainly counterparty credit risk will grow, and the statutory deductions from CET1 capital, primarily related to an expected deduction for net assets in defined benefit pension plans, are expected to increase.

According to the EU rules, the Group is a financial conglomerate, and Danica is included in the consolidated supervision of the Group. The Group uses the EU rules for financial conglomerates implemented into Danish legislation in its calculation of the capital deduction for Danica. In CRD IV, the European Commission is proposing that the national supervisory authorities can permit financial institutions to continue to use the conglomerate rules instead of the coming CRD IV deduction rules for investments in insurance companies. In the estimated 0.7 percentage point effect of CRD IV, the Group has not taken into account any change in the treatment of capital for Danica as a result of future changes in the EU rules for financial conglomerates. If Danske Bank’s investment in Danica at the end of 2011 was treated according to the Basel III deduction method instead, the Group estimates that this in itself would reduce the CET1 capital ratio under fully phased-in rules by an additional 1.0 percentage points.

As regards liquidity, the European Commission is proposing a timetable similar to that of the Basel Committee for the phasing-in of the short-term Liquidity Coverage Requirement (“**LCR**”), that is, an observation period leading up to the introduction of a minimum requirement in 2015. The LCR proposed by the European Commission differs from the Basel III requirement, however, in that the Commission has not specified the assets that may be included as level 1 and level 2 assets in the calculation of the liquidity buffer. Instead, the Commission wants the European Banking Authority (“**EBA**”) to propose suitable definitions of liquid assets based on certain criteria to the European Commission by the end of 2013. The European Commission will according to the proposal then, before the introduction of the minimum requirement, decide on appropriate definitions. This process should ensure that Danish mortgage covered bonds will be allowed to be included in the liquidity buffer in line with inter alia government bonds.

The Commission's proposal for long-term stable funding postpones the decision on whether or not to introduce a requirement similar to the Basel III Net Stable Funding Requirement ("NSFR"). The Commission therefore has not specified any general definition. By 2016, the Commission must report to the Parliament and the Council on how the new rules will ensure that financial institutions use stable funding sources. If necessary, the Commission will be asked to propose appropriate legislation. A political decision on a minimum NSFR thus will not be taken until after 2016.

Solvency II (insurance)

Looking ahead to January 2014, when the new international insurance solvency rules, Solvency II, take effect, the requirements for capital strength in the insurance area will be the focus of attention. The rules are intended to protect customers' funds and will generally increase the capital requirements. Danica is well prepared for the new rules.

Organisational Changes

Danske Bank creates a new organisation structured around three business units: Personal Banking, Business Banking and Corporates & Institutions. The three units will operate across all the Group's geographical markets. The new organisation will take effect on 1 June 2012. The Group's financial reporting will reflect the new organisational structure with effect from 1 January 2013.

The new business units will be in charge of customer relations, credit granting, business development, communications and marketing for their individual unit. Group support functions will be streamlined to support the business units. Group IT and Group Operations will continue as group support functions and will report directly to the Chairman of the Executive Board.

The new organisation is the first step in a new strategy for the Danske Bank Group. The preparation of a new Group strategy continues, and the work is expected to be completed by the end of Q3.

One name in all markets

In the new organisational set-up, the Group will market all its banking operations under the Danske Bank brand name. The rebranding process will be completed by the end of 2012.

The Irish banking operations

At National Irish Bank, all loans financing commercial and investment property will be transferred to a new, separate entity for the purpose of optimising the value and ensuring a controlled winding-up of this part of the loan portfolio. The loans represent a value of DKK 35 billion, or 56 per cent. of National Irish Bank's loan portfolio. The Group's financial reporting will reflect the split of the loan portfolio from 1 January 2013 at the latest.

Northern Bank and the continuing part of National Irish Bank will be fully integrated into the new organisation under the name of Danske Bank. Danske Bank's products and services are still market leading in Ireland and Northern Ireland and remain popular among customers. The full attention to the sound part of the Irish operations will benefit both the customers and the bank.

The Irish economy shows no prospect of material improvement over the next couple of years. The domestic property market remains weak, and the decline in property prices is expected to continue and result in additional impairment charges against the Irish loan book. From 1 April 2012 to end-2014, the Danske Bank Group expects to recognise impairments in Ireland of DKK 5-7 billion. In 2015, impairments are expected to have reached a normalised level.

The potential impairments are based on various assumptions, including an average from-peak-to-trough decline in commercial property values of 70 per cent. For buy-to-let property values, the assumed decline is 70 per cent. and for values of owner occupied housing 60 per cent.

Senior management

Tonny Thierry Andersen, currently CEO of Danske Bank Denmark, will head the new Personal Banking business unit. Personal Banking will serve the Group's personal customers, including private banking customers.

Thomas F. Borgen, currently head of Danske Bank's international banking activities, CIB and Danske Markets, will head the new Corporates & Institutions unit. The unit is a merger of Danske Markets, International Banking and the CIB unit, which serves the Group's large corporate customers.

Lars Mørch, currently CEO of Danske Bank Sweden, will join the Executive Board and head the new Business Banking unit. Business Banking will serve the Group's business customers and encompass the Baltic banking activities.

The Executive Board of Danske Bank will have the following members from 1 June 2012:

Eivind Kolding, Chairman
Tonny Thierry Andersen, Head of Personal Banking
Thomas F. Borgen, Head of Corporates & Institutions
Lars Mørch, Head of Business Banking
Henrik Ramlau-Hansen, Chief Financial Officer
Per Skovhus, head of Group Credit (until 15 June 2012).

Ratings Update

In Company Announcements No. 8/2012 and 9/2012 released on 30 May 2012 and 31 May 2012, respectively, Danske Bank A/S announced its recent rating downgrades by Standard & Poor's and Moody's Investors Service Ltd.

Standard & Poor's downgrades Danske Bank

Standard & Poor's Credit Market Services Europe Limited ("S&P") has downgraded the Danske Bank Group by one notch to A-/A-2 (from A/A-1). The outlook has been adjusted upwards, from "negative" to "stable".

The rating action reflects S&P's expectation that Danske Bank will continue to see high impairment charges in its Irish banking business as a result of continued weakness in the Irish property market. In addition S&P points out continued challenges for some sectors in Denmark.

Danske Bank takes note of S&P's downgrades but also of the fact that S&P considers Danske Bank's business position to be strong and views its liquidity as adequate.

In its financial statements for Q1 2012, Danske Bank announced that it expects additional impairment charges in the DKK 5-7 billion range for National Irish Bank in the period from 1 April 2012 to the end of 2014. At the same time, the commercial and investment property portfolios will be transferred to a new, separate unit of the Group to optimise the value of the portfolio and ensure a controlled winding-up of this part of the loan portfolio.

Moreover, Danske Bank has taken several initiatives to increase income and reduce costs in order to significantly improve earnings and strengthen the capital base.

Moody's downgrades Danske Bank

In the course of a major review of 114 European financial institutions that was announced on 15 February 2012, Moody's Investors Service Ltd. ("**Moody's**") has lowered the Danske Bank Group's ratings.

As part of a series of ratings changes for Danish banks, Moody's reduced Danske Bank's long-term rating from A2 to Baa1 and its short-term rating from P-1 to P-2. The outlook was adjusted upwards, from "negative" to "stable".

In its announcement, Moody's writes that Danish banks generally are operating in a difficult macroeconomic climate and they are heavily dependent on funding from the international money markets. In addition, it is still Moody's opinion that, in comparison with other Nordic and European countries, the Danish state is much less willing to support its banking sector.

Danske Bank takes note of Moody's downgrades but does not understand Moody's very negative view of the Danish banking sector.

Danske Bank notes that Moody's continues to take a very negative view of the level of systemic support in Denmark, among other things.

Danske Bank expects declining losses in the coming years. In addition, the Bank has launched several initiatives to reduce expenses and raise income that will improve earnings significantly and further strengthen the capital base.

The Bank has a strong liquidity base, and with a capital base of DKK 159 billion and a solvency need of DKK 91 billion, the Bank had a very comfortable capital buffer of DKK 68 billion at the end of Q1 2012.

The Company Announcements are not incorporated by reference in this Base Prospectus, however the full text of them can be found at www.danskebank.com.

S&P and Moody's are established in the European Union and are registered under Regulation (EC) No. 1060/2009 (as amended). As such S&P and Moody's are included in the list of credit ratings agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation."

Management of Danske Bank (the "Bank")

The Bank's administrative bodies are the Board of Directors and the Executive Board. The Board of Directors, which consists of non-executive directors, is elected by the shareholders of the Bank in the annual general meeting, with the exception of those directors who are elected pursuant to prevailing law concerning employee representation on the Board of Directors (currently five). The non-employee directors, who are elected by the shareholders, are elected for terms of one year and the number of such directors may range from six to ten. Directors are eligible for re-election. Danske Bank's Executive Board may consist of two to ten members who are responsible for the day-to-day business and affairs of Danske Bank. The business address of the Board of Directors is 2-12 Holmens Kanal, DK-1092 Copenhagen K, Denmark.

The present members of the Board of Directors and their external positions are as follows:

Ole Gjessø Andersen, Chairman

CEO of OGA Holding ApS, OGA Holding/D1 ApS and OGA Holding/D4 ApS

Director of:

- Chr. Hansen Holding A/S (Chairman)
- ISS A/S (Chairman)

- ISS World Services A/S (Chairman)
- Bang & Olufsen A/S (Chairman)
- Bang & Olufsen Operations A/S (Chairman)
- EQT Partners (Senior Advisor)
- NASDAQ OMX Nordic (Member of the Nomination Committee).

Niels B. Christiansen, Vice Chairman

President and CEO of Danfoss A/S

Director of:

- Axcel II A/S (Chairman)
- Axcel Industriinvestor A/S (Chairman)
- Axcel II Management A/S (Chairman)
- Danfoss Compressors Holding A/S (Chairman)
- Danfoss Development A/S (Chairman)
- Danfoss Drives A/S
- Danfoss Ejendomsselskab A/S (Chairman)
- Danfoss International A/S (Chairman)
- Danfoss Murmann Holding A/S (Chairman)
- The Confederation of Danish Industry (Member of the Central Board and the Executive Committee)
- Provinsindustriens Arbejdsgiverforening
- Sauer-Danfoss Inc. (Vice Chairman)
- William Demant Holding A/S.

Susanne Arboe*

Danske Bank

Director of Danske Kreds.

Helle Brøndum*

Danske Bank

Director of Danske Kreds.

Urban Bäckström

Director General of Confederation of Swedish Enterprise

Director of:

- AMF Pension
- Research Institute of Industrial Economics.

Carsten Eilertsen*

Danske Bank

Director of:

- Apostelgaardens Fond (Vice Chairman)
- Danske Kreds (Vice Chairman)
- Danske Unions
- Ejerlejlighedsforeningen Næstvedparken (Chairman).

Michael Fairey

Director of:

- APR Energy PLC (Chairman)
- Consumer Credit Counselling Service (Trustee)
- Energy Saving Trust Foundation (Trustee)
- Legal & General Group PLC
- Lloyds TSB Pension Funds (Chairman)

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|---------------------|---|
| Charlotte Hoffmann* | <ul style="list-style-type: none"> • Vertex Group Limited (Chairman). Personal Customer Adviser, Danske Bank. |
| Mats Jansson | Director of: <ul style="list-style-type: none"> • Delhaize Group S.A. (Chairman) • Permira (Senior Advisor). |
| Jørn P. Jensen | Deputy CEO & Chief Financial Officer of Carlsberg Breweries & Carlsberg A/S Director of: <ul style="list-style-type: none"> • Carlsberg Group (Chairman or board member in several subsidiaries) • Committee on Corporate Governance • DONG Energy A/S (Board member and member of the audit and risk committee) • Ekeløf Invest ApS (CEO). |
| Majken Schultz | Professor of Organization at Copenhagen Business School Director of: <ul style="list-style-type: none"> • Academy of Management (Member of the Board of Governors) • Danske Spil • Realdania • Reputation Institute (Partner) • Said Business School, Oxford University (International Research Fellow) • Vci Holding ApS (CEO). |
| Per Alling Toubro* | HR Specialist, Danske Bank. |
| Trond Ø. Westlie | Group Chief Financial Officer and member of the Executive Board of A.P. Møller-Mærsk A/S Director of: <ul style="list-style-type: none"> • A.P. Møller-Mærsk A/S (Chairman or board member in several subsidiaries) • Danmarks Skibskredit (Board member and member of the audit committee) • Subsea 7. S.A. |

* Elected by the Bank's staff

The present members of the Executive Board and their external positions are as follows:

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| Eivind Kolding | Director of: E. Kolding Shipping ApS (CEO) Member of: <ul style="list-style-type: none"> • The Denmark-America Foundation • The International Monetary Conference. |
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Tonny Thierry Andersen

- The Trilateral Commission

Director of:

- Bankernes Kontantservice
- Danske Bank International S.A.
- Forsikringselskabet Danica, Skadeforsikringsaktieselskab af 1999 (Vice Chairman)
- Danica Pension, Livsforsikringsaktieselskab (Vice Chairman)
- Danish Bankers Association (Vice Chairman)
- Kreditforeningen Danmarks Pensionsafvklingskasse (Chairman)
- Nets Holding A/S
- Multidata Holding A/S
- Multidata A/S
- Private Contingency Association for the Winding up of Distressed Banks, Savings Banks and Cooperative Banks
- Realkredit Danmark A/S (Chairman)
- Sampo Pankki Oyj (Chairman).

Thomas F. Borgen

Director of:

- Northern Bank Limited (Chairman).

Lars Stensgaard Mørch

Henrik Ramlau-Hansen

Director of:

- Kreditforeningen Danmarks Pensionsafvklingskasse
- Realkredit Danmark A/S
- Sampo Pankki Oyj.

The external positions for the members of the Board of Directors and the Executive Board may change. Updates of this information can be found on the Danske Bank homepage, www.danskebank.com/corporategovernance.

After application of the relevant laws and conflict of interest policies of Danske Bank, no potential conflicts of interest exist between the duties to the Issuer of the persons on the Board of Directors and the Executive Board and their private interests listed above.

SUBSCRIPTION AND SALE

In respect of each Tranche of Notes issued under the Programme, a Dealer may, by entering into a purchase agreement (unless the Dealer is Danske Bank A/S), agree with the Issuer the basis upon which it agrees to purchase Notes. Any such agreement will extend to those matters stated under “Form of the Notes” and “Terms and Conditions of the Notes” above.

United States of America: *Regulation S Category 2; TEFRA D, TEFRA C or "TEFRA Not Applicable" as specified in the relevant Final Terms.*

Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to U.S. persons, except in certain transactions permitted by U.S. tax regulations. Terms used in the preceding sentence have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each Dealer will be required to agree (or, if the Dealer is Danske Bank A/S, will be deemed to have agreed), that it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche, as certified to the Fiscal Agent or the Issuer by such Dealer (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to the Notes of such Tranche purchased by or through it, in which case the Fiscal Agent or the Issuer shall notify each such Dealer when all such Dealers have so certified) (the “**distribution compliance period**”) within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each distributor, dealer or person to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the respective meanings given to them by Regulation S under the Securities Act.

In addition, until forty days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption under the Securities Act (if available). Each Tranche of Notes will also be subject to such further United States selling restrictions as the Issuer and the relevant Dealer(s) may agree and as indicated in the relevant Final Terms.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer will be required to represent and agree (or, if the Dealer is Danske Bank A/S, will be deemed to have represented and agreed) that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (i) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member

State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

- (ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (iii) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer(s) nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in the Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

United Kingdom

Each Dealer will be required to represent and agree (or, if the Dealer is Danske Bank A/S, will be deemed to have represented and agreed) that:

- (i) **Financial promotion:** it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 would not, if the Issuer was not an authorised person, apply to the Issuer; and
- (ii) **General compliance:** it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “**FIEA**”) and each Dealer will be required to represent and agree (or, if the Dealer is Danske Bank A/S, will be deemed to have represented and agreed) that that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for re-offering or resale, directly or indirectly, in Japan or to, or

for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Denmark

Each Dealer will be required to represent and agree (or, if the Dealer is Danske Bank A/S, will be deemed to have represented and agreed) that it has not offered or sold and will not offer, sell or deliver any Notes directly or indirectly in Denmark by way of a public offering, unless in compliance with the Danish Consolidated Act No. 883 of 9 August 2011 on Trading in Securities, as amended, and any Executive Orders issued thereunder and in compliance with Executive Order No. 768 of 27 June 2011 to the Danish Financial Business Act.

Finland

Each Dealer will be required to represent and agree (or, if the Dealer is Danske Bank A/S, will be deemed to have represented and agreed), that it has not offered or sold and will not offer, sell or deliver any Notes directly or indirectly in Finland by way of a public offering, unless in compliance with all applicable provisions of the laws of Finland, including the Finnish Securities Markets Act (495/1989) and any regulation issued thereunder, as supplemented and amended from time to time.

Sweden

Each Dealer will be required to represent and agree (or, if the Dealer is Danske Bank A/S, will be deemed to have represented and agreed) that it has not offered or sold and will not offer, sell or deliver any Notes directly or indirectly in Sweden by way of a public offering, unless in compliance with all applicable provisions of the laws of Sweden and in particular in compliance with the Swedish Financial Instruments Trading Act (lagen (1991:980) om handel med finansiella instrument) and any regulation or rule issued thereunder, as supplemented and amended from time to time.

General

With the exception of the application to the CSSF for the approval of this document as a Base Prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in Luxembourg, no action has been or will be taken in any country or jurisdiction by the Issuer or any Dealer that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Persons into whose hands this Base Prospectus or any Final Term comes are required by the Issuer and any Dealer to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material, in all cases at their own expense.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification will be set out in the relevant Final Terms (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or (in any other case) in a supplement to this document.

TAXATION

The following is a general description of relevant tax considerations and is not to be regarded as a complete tax analysis of all tax issues related to the Notes. Prospective holders of Notes should consult their professional tax advisers if they are in doubt about their own tax position.

Denmark Taxation

The following summary applies to investors who are fully liable to tax in the Kingdom of Denmark. Investors who are fully liable to tax in the Kingdom of Denmark are individuals residing in the Kingdom of Denmark or individuals staying in the Kingdom of Denmark for a period of at least six months, as well as companies, foundations, etc., that are registered in the Kingdom of Denmark or whose effective place of management is in the Kingdom of Denmark.

The tax treatment applicable to an investor depends on the individual circumstances of such investor and such individual circumstances, as well as Danish tax law, may be subject to change in the future.

A Note qualifies as a financial contract under Danish tax law and gains and losses are taxed on an annual basis according to the “mark-to-market principle”, i.e. realised as well as unrealised gains and losses have to be recognised for tax purposes.

Individuals are liable to tax on capital gains, and losses can be offset or deducted pursuant to special rules. Taxable capital gains and deductible losses are included in the capital income. Losses can be offset against any capital gains of financial contracts etc. of the same income year. Further losses can be deducted directly from the capital income if such losses do not exceed the taxed net gains on financial contracts etc. in previous income years from and including the income year 2002. Any further losses can be offset against realised net gains on shares traded on a regulated market. This set-off is conditional on the Notes being linked solely to shares, share baskets or share indices, and that either the Notes, the underlying shares or the shares comprised by the equity index are traded on a regulated market. Any losses in excess can be carried forward in the following income years and be offset against net capital gains of financial contracts or net gains from shares traded on a regulated market.

Self-employed persons can invest funds encompassed by the special business income scheme in the Notes.

Investors liable to tax on pensions returns, e.g. life insurance companies may invest in the Notes. Private funds placed in individual pension schemes with banks can be used for investments in the Notes if the Notes are traded on a regulated market. For individual pension saving accounts the Notes are encompassed by the 20 per cent ceiling on investment of pension funds, c.f. “The Executive Order on Pension Pools and Other Tax-Privileged Savings” etc. (“Puljebekendtgørelsen”).

Companies, foundations, etc., that are registered in the Kingdom of Denmark or whose management is based in the Kingdom of Denmark are liable to tax on capital gains, and losses are deductible in the taxable income.

For holders of Notes who are not fully liable to tax in the Kingdom of Denmark or who are subject to a Danish joint taxation scheme and do not carry on business in the Kingdom of Denmark through a permanent establishment, (i) payments of interest or principal amounts to any such holder of a Note are not subject to taxation in the Kingdom of Denmark, (ii) no withholding tax will be required on such payments, (iii) any gain realised upon the sale, exchange or retirement of a Note will not be subject to taxation in the Kingdom of Denmark and (iv) the applicable tax treatment is determined by the rules of the country of their residence.

Finland Taxation

The following is a general description of certain tax considerations relating to the Notes issued under the Programme. They relate only to interest and principal payments by the Issuer (and not by any substituted debtor) to beneficial owners of the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Finland or elsewhere. The tax treatment applicable to a holder of Notes depends on the individual circumstances of such investor and such individual circumstances. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date, including changes with retroactive effect.

Resident holders of Notes

Under present Finnish domestic tax law, holders of Notes, who are individuals or an estate of a deceased person and resident in Finland for tax purposes, will be subject to Finnish capital income tax on interest payments under the Notes and on gains realised on the sale or redemption of the Notes. The current tax rate applicable to annual taxable capital income up to EUR 50,000 is 30 per cent., while it is 32 per cent. for the portion of taxable capital income exceeding EUR 50,000. Capital losses realised on the sale or redemption of the Notes are deductible only from capital gains realized during the same year or during the five subsequent years. Special tax provisions may apply to small capital gains and losses.

For holders of Notes, who are resident limited companies or other resident entities subject to tax, interest payments and capital gains under the Notes are regarded as taxable income. The current tax rate for limited companies and other entities subject to corporate tax is 24.5 per cent..

Non-resident holders of Notes

Holders of Notes who are not resident in Finland for tax purposes and who do not conduct business through a permanent establishment in Finland will not be subject to Finnish taxes either on payments in respect of the Notes or gains realised on the sale or redemption of the Notes. Non-resident holders of Notes who conduct business through a permanent establishment in Finland will be taxed similarly in Finland on payments in respect of the Notes and gains realised on the sale or redemption of the Securities as Finnish resident holders of Notes.

Transfer Taxation

A transfer of the Notes is not subject to Finnish transfer taxation.

Tax Compliance Requirements

Under Finnish domestic tax law, a Finnish credit institution, a Finnish branch of a foreign credit institution or a Finnish broker is obliged to report any interest payments under the Notes to the Finnish tax administration. Capital gains and losses derived from the Notes shall also be reported to the Finnish tax administration under certain conditions.

Sweden Taxation

The following summary applies to investors who are domiciled and fully liable to tax in Sweden, i.e. tax residents in Sweden. The summary only applies to notes which from a Swedish tax perspective are regarded as listed. The information below is general and does not cover all categories of tax payers or situations e.g. the information does not cover the taxation of investments made through an investment savings account (“investeringssparkonto”) or securities treated as current assets (“lager”) for tax purposes.

Other tax consequences may apply for investors who are not domiciled in Sweden and considered non-tax residents in Sweden.

The tax treatment applicable to an investor depends on the individual circumstances of such investor and such individual circumstances, as well as Swedish tax law, may be subject to change in the future. Tax consequences that are not outlined below may arise and investors should seek advice from their tax advisors prior to any decision to invest.

Taxation of individuals

Disposals of Notes are generally taxed according to the capital gains rules. Capital gains/losses are calculated as the difference between the relevant sales price (less any sales costs) and the relevant acquisition cost. Acquisition costs are generally determined based on the “average method”, meaning that the average acquisition cost of Notes of the same kind should be calculated. Alternatively, acquisition costs in respect of listed Notes which are considered equity-linked rights (Sw. *delägarätter*) are calculated by applying a standardised acquisition cost calculated as 20 per cent of the sales price less sales cost.

Normally the reference item(s) to which a security is linked are decisive when determining the tax consequences of an investment in the Note. If such reference item(s) are shares or share indices or a basket of shares the relevant security will be taxed as equity-linked rights (“*delägarätter*”). If such reference item(s) are other types of indices or a mixture of indices where the indices which are not share indices at date of issue exceed 50 per cent. of the reference item(s), the relevant Note will be taxed as a Swedish receivable (“*Sw. fordringsrätt*”) if the settlement currency is SEK. However, if the settlement currency of the relevant security is not SEK, it will be taxed as a foreign receivable (Sw. “*utländsk fordringsrätt*”).

Individuals are liable to tax on capital gains as capital income at a tax rate of 30 per cent. Capital losses on listed share-linked rights can be fully set off against capital gains on shares, equity-linked rights and other types of securities taxed as shares. Any further loss is deductible at 70 per cent. against any other capital income.

Capital losses on listed receivables are fully deductible against other capital income.

If the total capital income of an investor becomes negative after possible set-offs pursuant to the above, such a deficit can reduce tax on other types of income according to special rules. The tax reduction amounts to 30 per cent. of a deficit up to SEK 100,000. Should the deficit exceed SEK 100,000 a reduction of 21 per cent. of the excess may be granted. Deficits may not be carried forward to a subsequent fiscal year for individuals.

The following apply to certain types of Notes.

Zero-coupon Note

A capital gain at redemption of a Note which bears no interest is considered as interest and is taxed at redemption. A capital gain which is a result of a sale during the term of the Note is also considered as interest. This applies only if the principal of the note is not dependent on the development in any reference items.

A loss is considered as a deductible capital loss which is fully deductible if the Note is listed. If not listed, 70 per cent. of the loss is deductible.

Currency-linked, commodity-linked, inflation-linked Notes

Currency-linked, commodity-linked, and inflation-linked notes are considered receivables. An increase in value is considered as a capital gain. Fixed payments during the term of the Note is however considered as interest.

A loss is considered as deductible capital loss which is fully deductible if the Note is listed. If the Note is not listed, 70 per cent of the loss is deductible.

Equity-linked Notes

Equity-linked Notes are considered equity-linked rights and are treated in the same way as shares and other equity-linked rights. Fixed payments during the duration of the note is however considered as interest. Variable payments which are linked to the development of an index and paid during the lifetime of the Note are considered as other income of equity.

A capital loss is fully deductible against other equity-linked rights (e.g. shares, equity-linked notes etc), if the equity-linked note is listed.

Equity-linked Notes which are not settled in SEK are however treated as foreign receivables. A loss on a foreign receivable is fully deductible in the same way as Swedish receivables.

Notes linked to a mix of underlying assets

If the reference item(s) are a mixture of indices, where the indices which are not share indices at the date of issue exceed 50 per cent. of the reference item(s), the relevant Note will be taxed as a Swedish receivable ("Sw. fordringsrätt") if the settlement currency is SEK.

Tax Withholding

Preliminary tax withholding at a rate of 30 per cent. is made on interest paid to individuals residing in Sweden and to Swedish estates of deceased persons in accordance with chapter 10 and 17 Skatteförfarandelagen 2011:1244.

Swedish withholding tax is due at redemption of a zero-coupon note. However, no withholding tax is due if a zero-coupon note is disposed of before the maturity date.

Taxation of legal entities

Companies and other legal entities are normally taxed on all income. Capital gains on equity-linked rights, receivables and other assets are included in the company income and taxed at a rate of 26.3 per cent.

Capital losses can be set-off against other company income. However, capital losses on equity-linked rights can only be set-off against capital gains derived from the disposal of shares and other types of securities taxed as shares in the same year. Capital losses on equity-linked rights which are not utilised can be carried forward indefinitely. Such losses may, subject to special rules, in some circumstances be utilized by other group companies against that group company's capital gains on shares and other types of securities taxed as shares.

Luxembourg Taxation

The following summary is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Withholding Tax

Non-resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005 (the “**Laws**”) mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

Under the Laws implementing the EC Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the “**Territories**”), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which is a resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Laws would at present be subject to withholding tax of 35 per cent.

Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 (the “**Law**”) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of 10 per cent.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

GENERAL INFORMATION

1. Application has been made for Notes issued under the Programme to be admitted to listing on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange.

However, Notes may be issued pursuant to the Programme which will not be admitted to listing on the Official List and admitted to trading and/or quotation by the regulated market of the Luxembourg Stock Exchange or any other listing authority, stock exchange and/or quotation system or which will be admitted to listing, trading and/or quotation by such listing authority, stock exchange and/or quotation system as the Issuer and the relevant Dealer(s) may agree.

2. The establishment of the Programme was authorised by a resolution of the Board of Directors of the Issuer passed on 24 January 2008. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.
3. The Notes (other than VP Systems Notes) have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The appropriate common code and the International Securities Identification Number in relation to the Notes of each Series (other than VP Systems Notes) will be specified in the Final Terms relating thereto. If the Notes are to clear through an additional or alternative clearing system (including the VP, VPS, Euroclear Finland or Euroclear Sweden), the appropriate information will be specified in the relevant Final Terms. Euroclear and Clearstream, Luxembourg or the VP, VPS, Euroclear Finland and/or Euroclear Sweden, as the case may be, are the entities in charge of keeping the records.
4. Bearer Notes (other than Temporary Global Notes) which have a maturity of more than 365 days and any Coupon appertaining thereto will bear a legend substantially to the following effect: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”. The sections referred to in such legend provide that a United States person who holds a Bearer Note or Coupon generally will not be allowed to deduct any loss realised on the sale, exchange or redemption of such Bearer Note or Coupon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.
5. Settlement arrangements will be agreed between the Issuer, the relevant Dealer and the Fiscal Agent or the relevant VP Systems Agent, as the case may be, in relation to each Tranche of Notes.
6. The Final Terms will contain at least the following information in respect of each relevant Tranche of Notes (if applicable): Series number, Currency, Aggregate Principal Amount, Issue Date, Issue Price, Form of Notes, Denomination(s), Interest Rate, Applicable Business Day Convention, Maturity Date, Listing, Stabilising Institution, ISIN, Common Code and any clearing system other than Euroclear and Clearstream, Luxembourg or the VP, VPS, Euroclear Finland and/or Euroclear Sweden, as the case may be.
7. (i) There has been no significant change in the financial position of the Issuer or of the Issuer and its subsidiaries taken as a whole since 31 March 2012, the last day of the financial period in respect of which the most recent financial statements of the Issuer have been prepared; and

- (ii) there has been no material adverse change in the prospects of the Issuer since 31 December 2011, the last day of the financial period in respect of which the most recently audited financial statements of the Issuer have been prepared.
- 8. There are no governmental, legal, arbitration or administrative proceedings against or affecting the Issuer or any of its subsidiaries (and no such proceedings are pending or threatened of which the Issuer is aware) during a period covering at least the previous 12 months which have or may have in the recent past, individually or in the aggregate, significant effects on the profitability or the financial position of the Issuer or of the Issuer and its subsidiaries taken as a whole.
- 9. The financial statements of the Issuer have been audited for the three financial years preceding the date of this Base Prospectus by Pricewaterhouse Coopers Danmark Statsautoriseret Revisionsaktieselskab (formerly operating as Grant Thornton Danmark) and KPMG Statsautoriseret Revisionspartnerselskab, independent public auditors of the Issuer for that period, and unqualified opinions have been reported thereon. Both of the auditors are members of "Foreningen af Statsautoriserede Revisorer" (Association of State Authorised Public Accountants). Danske Bank A/S' Articles of Association and the Danish Financial Business Act provide that the Issuer's Annual Report shall be audited by one or more state-authorized public accountants who shall be elected for one year at a time. The Annual General Meeting on 27 March 2012 approved that KPMG Statsautoriseret Revisionspartnerselskab will be the state-authorized public accountants for the Issuer for 2012.
- 10. For as long as the Programme remains valid with the Luxembourg Stock Exchange, copies of the following documents will be available, upon request, free of charge, from the registered office of the Issuer and from the Specified Offices of the Paying Agents for the time being in London and Luxembourg (where applicable, with an English translation thereof):
 - (a) the Articles of Association of the Issuer;
 - (b) the Agency Agreement;
 - (c) the VP Systems Agency Agreement; and
 - (d) the Deed of Covenant.
- 11. For as long as the Programme remains valid with the Luxembourg Stock Exchange, copies of the following documents will be available on the website of the Luxembourg Stock Exchange at www.bourse.lu:
 - (a) a copy of this Base Prospectus and any Final Terms relating to Notes which are admitted to trading on the Luxembourg Stock Exchange's regulated market;
 - (b) any future Base Prospectuses and supplements to the Base Prospectus and any other documents incorporated herein or therein by reference;
 - (c) the Annual Reports of the Issuer for the financial years ended 31 December 2011 and 31 December 2010, which respectively contain the audited annual financial statements of the Issuer for the financial years ended 31 December 2011 and 31 December 2010, in each case together with the auditors' report thereon; and
 - (d) the Interim Report – First Quarter 2012 of the Issuer for the first quarter period ended 31 March 2012, which contains the interim financial statements of the Issuer for the first quarter period ended 31 March 2012.

12. The Issuer does not intend to provide post-issuance information, if not otherwise required by all applicable laws and regulations.

REGISTERED OFFICE OF THE ISSUER

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DEALER

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**AUDITORS OF THE ISSUER IN RESPECT OF HISTORICAL FINANCIAL INFORMATION
INCORPORATED BY REFERENCE IN THIS BASE PROSPECTUS**

Pricewaterhouse Coopers Danmark
Statsautoriseret Revisionsaktieselskab
(formerly operating as Grant Thornton
Danmark)

*(in respect of the audited annual financial statements of the
Issuer for the financial years ended 31 December 2011 and 31
December 2010)*

Ole Fabricius

Christian F. Jakobsen

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KPMG

Statsautoriseret Revisionspartnerselskab

*(in respect of (i) the audited annual financial statements of the
Issuer for the financial years ended 31 December 2011 and 31
December 2010 and (ii) the interim financial statements of the
Issuer for the first quarter period ended 31 March 2012)*

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