

**VPS TRUSTEE AGREEMENT**

between

**Sparebanken Sør  
(the “Issuer”)**

and

**Nordic Trustee ASA  
(the “VPS Trustee”)**

*[www.bahr.no](http://www.bahr.no)*

## CONTENTS

Clause	Page
1. INTERPRETATION AND DEFINITIONS.....	2
2. GENERAL TERMS OF THE VPS NOTES.....	4
3. THE VPS NOTEHOLDERS .....	7
4. VPS NOTEHOLDERS' DECISIONS .....	8
5. THE VPS TRUSTEE .....	13
6. OTHER PROVISIONS .....	17

SCHEDULE 1 VPS Conditions

THIS VPS TRUSTEE AGREEMENT (the “Agreement”) is entered into on 30 June 2017 between:

- (1) Sparebanken Sør with registration number 937 894 538 (the “Issuer”); and
- (2) Nordic Trustee ASA, Haakon VII's gate 1, 0161 Oslo with registration number 963 342 624 (the “VPS Trustee”).

**WHEREAS:**

- (A) The Issuer has a licence from the Norwegian Financial Supervisory Authority (in Norwegian: *Finanstilsynet*, and hereinafter referred to as “FSAN”) to conduct financing activities as a savings bank (in Norwegian: *sparebank*) under the Norwegian Financial Undertakings Act (in Norwegian: *Lov om finansforetak og finanskonsern (finansforetaksloven) av 10. april 2015 nr. 17*) and appurtenant regulations (as amended from time to time).
- (B) Under a €3,000,000,000 Euro Medium Term Note Programme (as updated and amended from time to time) (the “Programme”), the Issuer may from time to time issue notes (“Notes”) including, but not limited to, Notes in uncertificated book-entry form (“VPS Notes”) to be registered in the Norwegian central securities depository (in Norwegian: *Verdipapirsentralen*, and hereinafter referred to as the “VPS”).
- (C) The parties agree that, for Issues made from and including the date of this Agreement, this Agreement replaces and supersedes the VPS trustee agreement executed by the parties on 19 August 2016.
- (D) This Agreement and the VPS Conditions (as defined below) set out the terms and conditions on which the VPS Trustee has agreed to act as VPS Trustee for VPS Notes issued by the Issuer under the Programme from the date of this Agreement.

**IT IS AGREED:**

**1. INTERPRETATION AND DEFINITIONS**

Capitalised terms used in this Agreement shall have the same meaning as given to such terms in the VPS Conditions, unless otherwise defined herein. In the event of a discrepancy between the VPS Conditions and the terms of this Agreement, the terms of this Agreement shall prevail.

**Business Day:** As defined in the VPS Conditions, or otherwise any day on which the VPS settlement system is open and the relevant currency settlement system is open.

**Dealer:** Any dealer appointed under the Programme from time to time who acts as dealer for an Issue.

**Default Notice:** A written notice to the Issuer as described in Clause 2.5 (*Acceleration of the VPS Notes*).

**Event of Default:** Means any of the events or circumstances specified in the VPS Conditions.

**Exchange:** The Oslo Stock Exchange (*Oslo Børs*) or the alternative bond market (Nordic ABM) operated by Oslo Børs.

**Final Terms:** The final terms applicable to an Issue.

**Issue:** An issue of VPS Notes for which the VPS Trustee has been appointed by the Issuer as trustee pursuant to this Agreement.

**Issue Date:** The date of an Issue.

**Issuer's VPS Notes:** VPS Notes owned by the Issuer, any party who has decisive influence over the Issuer, or any party over whom the Issuer has decisive influence.

For these purposes, "decisive influence" means a person having, as a result of an agreement or through the ownership of shares or interest in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

**Outstanding VPS Notes:** Means VPS Notes to the extent not redeemed or otherwise discharged.

**Relevant Record Date:** Means the date on which a VPS Noteholder's ownership of VPS Notes shall be recorded in the VPS as follows:

- (a) for the purpose of casting a vote in a VPS Noteholders' Meeting, the date falling on the immediate preceding Business Day to the date of that VPS Noteholders' Meeting being held, or another date as accepted by the VPS Trustee; and
- (b) for the purpose of casting a vote in a Written Resolution:
  - (i) the date falling 3 Business Days after the Summons have been published; or,
  - (ii) if the requisite majority in the opinion of the VPS Trustee has been reached prior to the date set out in paragraph (i) above, on the date falling on the immediate Business Day prior to the date on which the VPS Trustee declares that the Written Resolution has been passed with the requisite majority.

**Summons:** Means the call for a VPS Noteholders' Meeting or a Written Resolution as the case may be.

**Voting VPS Notes:** Outstanding VPS Notes less the Issuer's VPS Notes in respect of one or several Issues (as the context requires).

**VPS Agent:** The legal entity appointed by the Issuer to act as its paying agent with respect to the VPS Notes in the VPS.

**VPS Conditions:** Means such terms and conditions as are applicable to any Issue of VPS Notes from time to time, to be attached to this Agreement as Schedule 1.

**VPS Noteholder:** A person who is registered in the VPS as directly registered owner or nominee holder of a VPS Note, subject however to Clause 3.3 (*VPS Noteholders' rights*).

**VPS Noteholders' Meeting:** Meeting of VPS Noteholders of one or several Issues as set forth in Clause 4 (*VPS Noteholders' decisions*).

**VPS Trustee:** Nordic Trustee ASA, or any successor, acting for and on behalf of the VPS Noteholders in accordance with this Agreement.

**Written Resolution:** Means a written (or electronic) solution for a decision making among the VPS Noteholders of an Issue, as set out in Clause 4.5 (*Written Resolutions*).

## 2. GENERAL TERMS OF THE VPS NOTES

### 2.1 Conditions precedent

#### 2.1.1 Conditions precedent to the Issue Date

- (a) The VPS Trustee shall have received the following documentation, no later than 2 - two - Business Days prior to the Issue Date:
  - (i) The Final Terms duly signed,
  - (ii) the Issuer's corporate resolution to make the Issue,
  - (iii) confirmation that the relevant individuals are authorised to sign on behalf of the Issuer all relevant documents in relation to the Issue, (certificate of registration, power of authority etc.),
  - (iv) the Issuer's articles of association,
  - (v) to the extent necessary, any public authorisations required for the Issue,
  - (vi) confirmation that the VPS Notes have been registered in the VPS,
  - (vii) confirmation according to Clause 2.1.2(e) (*Confirmation*) if applicable,
  - (viii) any other relevant documentation presented in relation to the Issue, and
  - (ix) any statements (including legal opinions) required by the VPS Trustee regarding documentation in this Clause 2.1 (*Conditions precedent*).
- (b) The VPS Trustee may, in its reasonable opinion, waive the deadline or requirements for the documentation as set forth in this Clause 2.1 (*Conditions precedent*).
- (c) Any Issue is subject to the VPS Trustee's written notice to the Issuer, the Dealers and the VPS Agent that the documents have been controlled and that the required conditions precedent are fulfilled.

#### 2.1.2 Representations and warranties

##### (a) General

The Issuer makes the representations and warranties set out in this Clause 2.1.2 (*Representations and warranties*) to the VPS Trustee (on behalf of the VPS Noteholders) at the Issue Date with reference to the facts and circumstances then existing.

(b) Information

All information which has been presented to the VPS Trustee in relation to the Issue is, to the best knowledge of the Issuer, having taken all reasonable measures to ensure the same:

- (i) (i) true and accurate in all material respects as at the date the relevant information is expressed to be given;
- (ii) (ii) does not omit any material information likely to affect the accuracy of the information as regards the evaluation of the VPS Notes in any material respects unless subsequently disclosed to the VPS Trustee in writing or otherwise made publicly known.

(c) Requirements

- (i) The Issuer has made a valid resolution to make the Issue and the Issue does not contravene any of the Issuer's other obligations.
- (ii) All relevant regulatory requirements have been fulfilled (e.g. pursuant to the Norwegian Financial Undertakings Act and Securities Trading Act), and any required public authorisation has been obtained.
- (iii) The Issue is in accordance with the VPS Conditions, except as may be waived or amended pursuant to the Final Terms in respect of such Issue.

(d) No Event of Default

No Event of Default exists or is likely to result from the issuance of the VPS Notes or the entry into, the performance of, or any transaction contemplated by, this Agreement or the VPS Conditions in respect of such Issue.

(e) Confirmation

The VPS Trustee may require a statement from the Issuer confirming the Issuer's compliance with this Clause 2.1.2 (*Representations and warranties*) at the times set out above.

## 2.2 Information covenants

The Issuer undertakes to:

- (a) inform the VPS Trustee promptly of any Event of Default, and of any situation which the Issuer understands or should understand could lead to an Event of Default,
- (b) inform the VPS Trustee of any other event which may have a material effect on the Issuer's ability to fulfil its obligations in respect of any Issue,
- (c) upon request, provide the VPS Trustee with its annual and interim reports and any other information reasonably required by the VPS Trustee,
- (d) upon request report to the VPS Trustee the principal amount outstanding of the Issuer's VPS Notes,

- (e) provide a copy to the VPS Trustee of any notice to its creditors to be made according to applicable laws and regulations,
- (f) send a copy to the VPS Trustee of notices to the Exchange which have relevance to the Issuer's liabilities pursuant to any Issue, and
- (g) inform the VPS Trustee of changes in the registration of any Issue in the VPS.

### **2.3 Registration of VPS Notes**

The Issuer shall continuously ensure the correct registration of the VPS Notes in the VPS.

### **2.4 Listing and prospectus**

- (a) In the event that any VPS Notes are listed on an Exchange, matters concerning the listing requiring the approval of the VPS Noteholders shall be resolved pursuant to the terms of the VPS Conditions and this Agreement.
- (b) In the event that any VPS Notes are listed on an Exchange, the Issuer shall submit the documents and the information necessary to maintain the listing.

### **2.5 Acceleration of the VPS Notes**

Subject to the VPS Conditions, if an Event of Default has occurred and is not remedied or waived, the VPS Trustee may, in its discretion in order to protect the interests of the VPS Noteholders of any Issue, or upon instruction received from the VPS Noteholders of one or several affected Issues pursuant to Clause 2.6 (*VPS Noteholders' instructions*) below, by serving a Default Notice:

- (a) declare that any Outstanding VPS Note in respect of the affected Issue(s) be forthwith due and payable whereupon the same shall become due and payable at the Early Redemption Amount (as described in the VPS Conditions), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.; and/or
- (b) exercise any or all of its rights, remedies, powers or discretions under this Agreement or take such further measures as are necessary to recover the amounts outstanding under the VPS Conditions.

### **2.6 VPS Noteholders' instructions**

The VPS Trustee shall serve a Default Notice pursuant to Clause 2.5 (*Acceleration of the VPS Notes*) if:

- (a) the VPS Trustee receives a demand in writing from VPS Noteholders representing a simple majority of the Voting VPS Notes in an affected Issue, stating that an Event of Default shall be declared for that Issue, and a VPS Noteholders' Meeting has not made a resolution to the contrary; or
- (b) the VPS Noteholders' Meeting, by a simple majority decision among VPS Noteholders in an affected Issue, has approved the declaration of an Event of Default for that Issue.

## **2.7 Indemnification**

The VPS Trustee shall be indemnified by the VPS Noteholders of the relevant Issue(s) for any results (including any expenses, costs and liabilities) of taking action pursuant to Clause 2.6 (*VPS Noteholders' instructions*) or pursuant to the VPS Noteholders' Meeting having declared the VPS Notes to be in default. The VPS Trustee may claim indemnity and security from the VPS Noteholders who put forward the demand in accordance with Clause 2.6 (*VPS Noteholders' instructions*) or voted for the adopted resolution at the VPS Noteholders' Meeting.

## **3. THE VPS NOTEHOLDERS**

### **3.1 Agreement binding on all VPS Noteholders**

- (a) By virtue of being registered in the VPS as a VPS Noteholder (directly or indirectly) in relation to a relevant Issue, the VPS Noteholders are bound by this Agreement including the relevant VPS Conditions, without any further action required to be taken or formalities to be complied with.
- (b) This Agreement and the relevant VPS Conditions shall be publicly available from the VPS Trustee and the Issuer.
- (c) The VPS Trustee is always acting with binding effect on behalf of all VPS Noteholders in a relevant Issue.

### **3.2 Limitation of rights of action**

- (a) No VPS Noteholder is entitled to take any action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the VPS Conditions or this Agreement, other than through the VPS Trustee and in accordance with the VPS Conditions and this Agreement, provided, however, that the VPS Noteholders shall not be restricted from exercising any of their individual rights derived from the VPS Conditions or this Agreement.
- (b) Each VPS Noteholder shall immediately upon request by the VPS Trustee provide the VPS Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the VPS Trustee), as the VPS Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the VPS Conditions and this Agreement. The VPS Trustee is under no obligation to represent a VPS Noteholder who does not comply with such request.

### **3.3 VPS Noteholders' rights**

- (a) If a beneficial owner of a VPS Note not being registered as a VPS Noteholder wishes to exercise any rights under the VPS Conditions or this Agreement it must obtain proof of ownership of the VPS Notes, acceptable to the VPS Trustee.
- (b) A VPS Noteholder (whether registered as such or proven to the VPS Trustee's satisfaction to be the beneficial owner of the VPS Note as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the VPS Notes held or beneficially owned by such VPS Noteholder. The VPS Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 (*VPS Noteholders' rights*) and may assume that it is in full force and



effect, unless otherwise is apparent from its face or the VPS Trustee has actual knowledge to the contrary.

#### **4. VPS NOTEHOLDERS' DECISIONS**

##### **4.1 Authority of the VPS Noteholders' Meeting**

- (a) The VPS Noteholders' Meeting may not adopt resolutions which will give certain VPS Noteholders an unreasonable advantage at the expense of other VPS Noteholders.
- (b) Subject to the power of the VPS Trustee to take certain action as set out in Clause 5.1 (*Power to represent the VPS Noteholders*), if a resolution by, or an approval of, the VPS Noteholders is required, such resolution may be passed at a VPS Noteholders' Meeting. Resolutions passed at any VPS Noteholders' Meeting will be binding upon all relevant VPS Noteholders.
- (c) The VPS Noteholders' Meeting will consist of:
  - (i) for purposes of any resolution directly relating to a specific Issue and/or its Final Terms, only the VPS Noteholders holding VPS Notes in that specific Issue; or
  - (ii) for purposes of any resolution directly relating to a version of the VPS Conditions, only the VPS Noteholders holding VPS Notes issued subject to that particular version of the VPS Conditions; or
  - (iii) for purposes of any resolution directly relating to this Agreement, all VPS Noteholders,and the term "Voting VPS Notes" shall be construed accordingly.
- (d) At least 50% of the Voting VPS Notes must be represented at a VPS Noteholders' Meeting for a quorum to be present, unless one of the matters set out in paragraph (f) below is to be discussed, in which case at least two thirds (2/3) of the Voting VPS Notes must be represented at the meeting for a quorum to be present.
- (e) Resolutions will be passed by simple majority of the Voting VPS Notes represented at the VPS Noteholders' Meeting, unless otherwise set out in paragraph (f) below.
- (f) In the following matters, a majority of at least two thirds (2/3) of the Voting VPS Notes represented at the VPS Noteholders' Meeting is required:
  - (i) modification of the Maturity Date (if any) of the VPS Notes specified in the applicable Final Terms or reduction or cancellation of the nominal amount payable upon maturity;
  - (ii) reduction or cancellation of the amount payable or modification of the payment date in respect of any interest in respect of the VPS Notes or variation of the method of calculating the rate of interest in respect of the VPS Notes;
  - (iii) reduction of any Minimum Interest Rate and/or Maximum Interest Rate specified in the applicable Final Terms;

- (iv) modification of the currency in which payments under the VPS Notes are to be made;
- (v) any alteration of this paragraph (f), including modification of the majority required to pass a resolution of any matter listed herein;
- (vi) the transfer of rights and obligations under the VPS Conditions and this Agreement to another issuer; or
- (vii) a change of VPS Trustee.

#### **4.2 Procedure for arranging a VPS Noteholders' Meeting**

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

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

- (b) If the VPS Trustee has not convened a VPS Noteholders' Meeting within ten (10) Business Days after having received a valid request for calling a VPS Noteholders' Meeting pursuant to paragraph (a) above, then the requesting party may itself call the VPS Noteholders' Meeting.
- (c) Summons to a VPS Noteholders' Meeting must be sent no later than ten (10) Business Days prior to the proposed date of the VPS Noteholders' Meeting. The Summons shall be sent to all VPS Noteholders registered in the VPS at the time the Summons is sent from the VPS. If the VPS Notes are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the VPS Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a VPS Noteholders' Meeting must clearly state the agenda for the VPS Noteholders' Meeting and the matters to be resolved. The VPS Trustee may include additional agenda items to those requested by the person calling for the VPS Noteholders' Meeting in the Summons. If the Summons contains proposed amendments to the VPS Conditions and/or this Agreement, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the VPS Noteholders' Meeting.

- (f) By written notice to the Issuer, the VPS Trustee may prohibit the Issuer from acquiring or dispose of VPS Notes during the period from the date of the Summons until the date of the VPS Noteholders' Meeting.
- (g) A VPS Noteholders' Meeting may be held on premises selected by the VPS Trustee, or if paragraph (b) above applies, by the person convening the VPS Noteholders' Meeting (however to be held in Oslo). The VPS Noteholders' Meeting will be opened and, unless otherwise decided by the VPS Noteholders' Meeting, chaired by the VPS Trustee (the "Chairman"). If the VPS Trustee is not present, the VPS Noteholders' Meeting will be opened by a VPS Noteholder and the Chairman elected by the VPS Noteholders' Meeting.
- (h) Each VPS Noteholder, the VPS Trustee and, if the VPS Notes are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a VPS Noteholders, shall have the right to attend the VPS Noteholders' Meeting (each a "Representative"). The Chairman may grant access to the meeting to other persons not being Representatives, unless the VPS Noteholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt with regard to whether a person is a Representative or entitled to vote, the Chairman will decide who may attend the VPS Noteholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the VPS Noteholders' Meeting. The VPS Noteholders' Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's VPS Notes (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the VPS Noteholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairman. The minutes must state the number of Voting VPS Notes represented at the VPS Noteholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the VPS Noteholders' Meeting. The minutes shall be signed by the Chairman and at least one other person. The minutes will be deposited with the VPS Trustee who shall make available a copy to the VPS Noteholders and the Issuer upon request.
- (k) The VPS Trustee will ensure that the Issuer, the VPS Noteholders and the Exchange are notified of resolutions passed at the VPS Noteholders' Meeting and that the resolutions are published on the website of the VPS Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a VPS Noteholders' Meeting regardless of who has convened the VPS Noteholders' Meeting, including any reasonable costs and fees incurred by the VPS Trustee.

#### 4.3 Voting rules

- (a) Each VPS Noteholder (or person acting for a VPS Noteholder under a power of attorney) may cast one vote for each Voting VPS Note owned on the Relevant Record

Date, ref. Clause 3.3 (*VPS Noteholders' rights*). The Chairman may, in its sole discretion, decide on accepted evidence of ownership of Voting VPS Notes.

- (b) Issuer's VPS Notes shall not carry any voting rights. The Chairman shall determine any question concerning whether any VPS Notes will be considered Issuer's VPS Notes.
- (c) For the purposes of this Clause 4 (*VPS Noteholders' decisions*), the holder of a VPS Note will be the person evidenced as such by a book entry in the records of the VPS. Where a nominee is so evidenced, it shall be deemed to be the owner of the relevant VPS Notes, unless the beneficial owner of the VPS Notes has proven its ownership of the VPS Notes in accordance with Clause 3.3 (*VPS Noteholders' rights*). If such VPS Noteholder has proven its ownership in accordance with Clause 3.3 (*VPS Noteholders' rights*) and voted directly for any of its nominee registered VPS Notes, the VPS Noteholder's votes shall take precedence over any votes submitted by the nominee for the same VPS Notes.
- (d) Any of the Issuer, the VPS Trustee and any VPS Noteholder has the right to demand a vote by ballot. In case of parity of votes, the Chairman will have the deciding vote.

#### **4.4 Repeated VPS Noteholders' Meeting**

- (a) Even if the necessary quorum set out in paragraph (d) of Clause 4.1 (*Authority of the VPS Noteholders' Meeting*) is not achieved, the VPS Noteholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the VPS Noteholders' Meeting. The VPS Trustee or the person who convened the initial VPS Noteholders' Meeting may, within ten Business Days of that VPS Noteholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding VPS Noteholders' Meetings as set out in Clause 4.1 (*Authority of the VPS Noteholders' Meeting*), Clause 4.2 (*Procedure for arranging a VPS Noteholders' Meeting*) and Clause 4.3 (*Voting rules*) shall apply mutatis mutandis to a repeated VPS Noteholders' Meeting, except that a valid resolution may be passed even though less than 50% of the Voting VPS Notes are represented, unless one of the matters referred to in paragraph (f) of Clause 4.1 (*Authority of the VPS Noteholders' Meeting*) is to be discussed, in which case at least one third (1/3) of the Voting VPS Notes must be represented at the repeated VPS Noteholders' Meeting for a quorum to be present. A Summons for a repeated VPS Noteholders' Meeting shall also contain the voting results obtained in the initial VPS Noteholders' Meeting.
- (c) A repeated VPS Noteholders' Meeting may only be convened once for each original VPS Noteholders' Meeting. A repeated VPS Noteholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 4.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a VPS Noteholders' Meeting in accordance with Clause 4.2 (*Procedure for arranging a VPS Noteholders' Meeting*) and vice versa.

#### **4.5 Written Resolutions**

- (a) Subject to this Agreement and the VPS Conditions, anything which may be resolved by the VPS Noteholders in a VPS Noteholders' Meeting pursuant to Clause 4.1

*(Authority of the VPS Noteholders' Meeting)* may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the VPS Noteholders in a VPS Noteholders' Meeting, and any reference in this Agreement or the VPS Conditions to a VPS Noteholders' Meeting shall be construed accordingly.

- (b) The person requesting a VPS Noteholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the VPS Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the VPS Noteholders registered in the VPS at the time the Summons is sent from the VPS and published at the VPS Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 4.1 (*Authority of the VPS Noteholders' Meeting*), 4.2 (*Procedure for arranging a VPS Noteholders' Meeting*), Clause 4.3 (*Voting Rules*) and Clause 4.4 (*Repeated VPS Noteholders' Meeting*) shall apply mutatis mutandis to a Written Resolution, except that:
  - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 4.2 (*Procedure for arranging VPS Noteholders' Meetings*); or
  - (ii) provisions which are otherwise in conflict with the requirements of this Clause 4.5 (*Written Resolutions*),

shall not apply to a Written Procedure.

- (e) The Summons for a Written Resolution shall include:
  - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
  - (ii) the time limit within which the VPS Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority (the "Voting Period").
- (f) The Voting Period shall be at least three (3) Business Days but not more than 15 Business Days from the date of the Summons, provided however that the Voting Period for a Written Resolution summoned pursuant to Clause 4.4 (*Repeated VPS Noteholders' Meeting*) shall be at least ten (10) Business Days but not more than 15 Business Days from the date of the Summons.
- (g) Only VPS Noteholders of Voting VPS Notes registered with the VPS on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the VPS Trustee pursuant to Clause 3.3 (*VPS Noteholders' rights*), will be counted in the Written Resolution.
- (h) A Written Resolution is passed when the requisite majority set out in paragraph (e) or paragraph (f) of Clause 4.1 (*Authority of VPS Noteholders' Meeting*) has been achieved, based on the total number of Voting VPS Notes, even if the Voting Period

has not yet expired. A Written Resolution may also be passed if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.

- (i) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last VPS Noteholder that results in the necessary voting majority being achieved.
- (j) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the close of business on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (d) to (f) of Clause 4.1 (*Authority of VPS Noteholders' Meeting*).

## **5. THE VPS TRUSTEE**

### **5.1 Power to represent the VPS Noteholders**

- (a) The VPS Trustee has power and authority to act on behalf of, and/or represent, the VPS Noteholders in a relevant Issue in all matters pertaining to the Issue, including but not limited to taking any legal or other action against the Issuer or others.
- (b) The Issuer shall promptly upon request provide the VPS Trustee with any such documents, information and other assistance (in form and substance satisfactory to the VPS Trustee), that the VPS Trustee deems necessary for the purpose of exercising its and the VPS Noteholders' rights and/or carrying out its duties under this Agreement and the VPS Conditions.
- (c) In order to carry out its functions and obligations under this Agreement and the VPS Conditions, the VPS Trustee will have access to the relevant information regarding ownership of the VPS Notes, as recorded and regulated with the VPS.

### **5.2 The duties and authority of the VPS Trustee**

- (a) The VPS Trustee shall represent the VPS Noteholders in accordance with the VPS Conditions and this Agreement, including, inter alia, by:
  - (i) forwarding any relevant notices or other documentation relating to payments of principal and interest on the VPS Notes;
  - (ii) informing the VPS Noteholders, the VPS Agent, any calculation agent and if relevant the Exchange of relevant information which is obtained or received in its capacity as VPS Trustee which requirement shall not restrict the VPS Trustee from discussing matters of confidentiality with the Issuer;
  - (iii) arranging VPS Noteholders' Meetings (as detailed above); and
  - (iv) determining and implementing any measures resolved pursuant to this Agreement or the VPS Conditions.
- (b) The Trustee shall upon receipt of any new VPS Conditions applicable to future VPS Notes from time to time:
  - (i) attach such new VPS Conditions to this Agreement as Schedule 1; and

- (ii) publish such new VPS Conditions through the information system for Nordic debt securities ([www.stamdata.no](http://www.stamdata.no)) or other relevant information platform.
- (c) The VPS Trustee is not obligated to assess or monitor the financial condition of the Issuer or take any steps to ascertain whether any Event of Default has occurred, unless to the extent expressly set out in the VPS Conditions or this Agreement. Until it has actual knowledge to the contrary, the VPS Trustee is entitled to assume that no Event of Default has occurred. The VPS Trustee is not responsible for the valid execution or enforceability of this Agreement and the VPS Conditions, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the VPS Noteholders' prior to issuance of the VPS Notes and the provisions of this Agreement, the VPS Conditions or the Final Terms.
- (d) The VPS Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the VPS Noteholders in all matters pursuant to the terms of this Agreement and the VPS Conditions. The VPS Trustee may submit any instructions received by it from the VPS Noteholders to a VPS Noteholders' Meeting before the VPS Trustee takes any action pursuant to the instruction.
- (e) The VPS Trustee is entitled to engage external experts when carrying out its duties under this Agreement and the VPS Conditions.
- (f) The VPS Trustee shall hold all amounts recovered on behalf of the VPS Noteholders on separated accounts.
- (g) The VPS Trustee will ensure that resolutions passed at the VPS Noteholders' Meeting are properly implemented, provided, however, that the VPS Trustee may refuse to implement resolutions that may be in conflict with this Agreement, the VPS Conditions, or any applicable law.
- (h) Notwithstanding any other provision of this Agreement or the VPS Conditions to the contrary, the VPS Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (i) If the cost, loss or liability which the VPS Trustee may incur (including reasonable fees payable to the VPS Trustee itself) in:
  - (i) complying with instructions of the VPS Noteholders; or
  - (ii) taking any action at its own initiative,will not, in the reasonable opinion of the VPS Trustee, be covered by the Issuer or the relevant VPS Noteholders pursuant to paragraphs (e) and (f) of Clause 5.4 (*Expenses, liability and indemnity*), the VPS Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.
- (j) The VPS Trustee shall give a notice to the VPS Noteholders before it ceases to perform its obligations under this Agreement or the VPS Conditions by reason of the

non-payment by the Issuer of any fee or indemnity due to the VPS Trustee under this Agreement.

### **5.3 Equality and conflicts of interest**

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

### **5.4 Expenses, liability and indemnity**

- (a) The VPS Trustee will not be liable to the VPS Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with this Agreement or the VPS Conditions, unless directly caused by its gross negligence or wilful misconduct. The VPS Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the VPS Trustee shall have no liability to the VPS Noteholders for damage caused by the VPS Trustee acting in accordance with instructions given by the VPS Noteholders in accordance with this Agreement.
- (b) Any liability for the VPS Trustee for damage or loss is limited to the amount of the Outstanding VPS Notes. The VPS Trustee is not liable for the content of information provided to the VPS Noteholders by or on behalf of the Issuer or any other person.
- (c) The VPS Trustee shall not be considered to have acted negligently if it has:
  - (i) acted in accordance with advice from or opinions of reputable external experts; or
  - (ii) acted with reasonable care in a situation when the VPS Trustee considers that it is to the interests of the VPS Noteholders to delay or perform any action.
- (d) The Issuer is liable for, and will indemnify the VPS Trustee fully in respect of, all losses, expenses and liabilities incurred by the VPS Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the VPS Trustee's obligations under this Agreement and the VPS Conditions, including losses incurred by the VPS Trustee as a result of the VPS Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the VPS Notes, the entering into or performance under this Agreement and the VPS Conditions, and for as long as any amounts are outstanding under any Issue.
- (e) The Issuer shall cover all costs and expenses incurred by the VPS Trustee in connection with it fulfilling its obligations under this Agreement and the VPS



Conditions. The VPS Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in this Agreement. The annual fee will be determined according to applicable fee structure and terms and conditions presented at the VPS Trustee's web site ([www.trustee.no](http://www.trustee.no)) at the Issue Date, unless otherwise is agreed with the VPS Trustee.

- (f) The Issuer shall on demand by the VPS Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the VPS Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer which the VPS Trustee reasonably believes may constitute or lead to a breach of any of the VPS Conditions or this Agreement or otherwise be detrimental to the interests of the VPS Noteholders under the VPS Conditions or this Agreement.
- (g) Fees, costs and expenses payable to the VPS Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to the Issuer, may be covered by making an equal reduction in the proceeds to the VPS Noteholders hereunder of any costs and expenses incurred by the VPS Trustee in connection therewith.
- (h) As a condition to effecting any instruction from the VPS Noteholders (including, but not limited to, Clause 4.2 (*Procedure for arranging a VPS Noteholders' Meeting*)), the VPS Trustee may require satisfactory security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those VPS Noteholders who have given that instruction and/or who voted in favour of the decision to instruct the VPS Trustee.

## 5.5 Replacement of the VPS Trustee

- (a) The VPS Trustee may be replaced according to the procedures set out in Clause 4 (*VPS Noteholders' decisions*), and the VPS Noteholders may resolve to replace the VPS Trustee without the Issuer's approval.
- (b) The VPS Trustee may resign by giving notice to the Issuer and the VPS Noteholders, in which case a successor VPS Trustee shall be elected pursuant to this Clause 5.5 (*Replacement of the VPS Trustee*), initiated by the retiring VPS Trustee.
- (c) If the VPS Trustee is insolvent, or otherwise is permanently unable to fulfil its obligations under this Agreement and the VPS Conditions, the VPS Trustee shall be deemed to have resigned and a successor VPS Trustee shall be appointed in accordance with this Clause 5.5 (*Replacement of the VPS Trustee*). The Issuer may appoint a temporary VPS Trustee until a new VPS Trustee is elected in accordance with paragraph (a) above.
- (d) The change of VPS Trustee's shall only take effect upon execution of all necessary actions to effectively substitute the retiring VPS Trustee, and the retiring VPS Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring VPS Trustee shall be discharged from any further obligation in respect of this Agreement and the VPS Conditions from the change takes effect, but shall remain liable under the same documents in respect of any action which it took

or failed to take whilst acting as VPS Trustee. The retiring VPS Trustee remains entitled to any benefits under this Agreement before the change has taken place.

- (e) Upon change of VPS Trustee the Issuer shall co-operate in all reasonable manners without delay to replace the retiring VPS Trustee with the successor VPS Trustee and release the retiring VPS Trustee from any future obligations under this Agreement, the VPS Conditions and any other documents.

## **6. OTHER PROVISIONS**

### **6.1 Amendments**

#### **6.1.1 Amendments**

Amendments of this Agreement may only be made with the approval of the parties to this Agreement, with the exception of amendments related to Clause 5.5 (*Replacement of the VPS Trustee*).

#### **6.1.2 Procedure for amendments**

The Issuer and the VPS Trustee (acting on behalf of the VPS Noteholders) may agree to amend this Agreement or the VPS Conditions or waive a past default or anticipated failure to comply with any provision in the VPS Conditions or this Agreement without prior approval of the affected VPS Noteholders in accordance with Clause 4 (*VPS Noteholders' decisions*), provided that:

- (i) such amendment or waiver is not detrimental to the rights and benefits of the affected VPS Noteholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes; or
- (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority.

#### **6.1.3 Authority with respect to documentation**

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

#### **6.1.4 Notification and implementation of amendments**

The VPS Trustee shall as soon as possible notify the VPS Noteholders of any proposal to amend this Agreement or the VPS Conditions as per Clause 6.1.2 (*Procedure for amendments*), setting out the date from which the amendment will be effective, unless such notice obviously is unnecessary. The Issuer shall ensure that any amendment to this Agreement or the VPS Conditions is duly registered with the VPS.

### **6.2 The Issuer's purchase of VPS Notes**

The Issuer may purchase and hold VPS Notes and such VPS Notes may be retained, sold or cancelled in the Issuer's sole discretion.

### 6.3 Expenses

- (a) The Issuer shall cover all its own expenses in connection with this Agreement and the fulfilment of its obligations hereunder, including the preparation of this Agreement, listing of the VPS Notes on the Exchange, and the registration and administration of the VPS Notes in the VPS.
- (b) The expenses and fees payable to the VPS Trustee shall be paid by the Issuer. For Financial Institutions, and Nordic governmental issuers, annual fee will be determined according to applicable fee structure and terms and conditions presented at the VPS Trustee's web site ([www.trustee.no](http://www.trustee.no)) at the Issue Date, unless otherwise is agreed with the VPS Trustee. For other issuers a separate VPS Trustee Agreement will be entered into. Fees and expenses payable to the VPS Trustee which, due to insolvency or similar by the Issuer, are not reimbursed in any other way may be covered by making an equivalent reduction in the payments to the VPS Noteholders.
- (c) Any public fees payable in connection with this Agreement and fulfilling of the obligations pursuant to this Agreement and the VPS Conditions shall be covered by the Issuer. The Issuer is not responsible for reimbursing any public fees levied on the trading of VPS Notes.
- (d) The Issuer is responsible for withholding any withholding tax imposed by relevant law.

### 6.4 Notices

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

### 6.5 Contact information

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

### 6.6 Governing law

This Agreement shall be governed by and construed in accordance with Norwegian law.

### 6.7 Jurisdiction

- (a) The VPS Trustee and the Issuer agree for the benefit of the VPS Trustee and the VPS Noteholders that the Oslo district court (*Oslo tingrett*) shall have jurisdiction with respect to any dispute arising out of or in connection with this Agreement (a "Dispute"). The Issuer agrees for the benefit of the VPS Trustee and the VPS Noteholders that any legal action or proceedings arising out of or in connection with this Agreement against the Issuer or any of its assets may be brought in such court

and that the Issuer shall be prevented from taking proceedings relating to a Dispute in any other court of law.

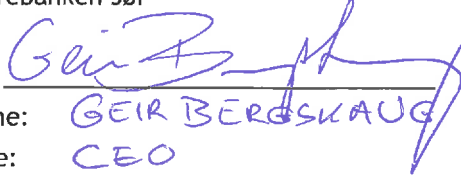
- (b) Paragraph (a) above has been agreed for the benefit of the VPS Trustee and the VPS Noteholders only. The VPS Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the VPS Trustee may also take concurrent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

\*\*\*

**SIGNATORIES:**

**The Issuer:**

Sparebanken Sør

By:   
Name: GEIR BERGSKAUG  
Title: CEO

**The VPS Trustee:**

Nordic Trustee ASA

By: \_\_\_\_\_  
Name:  
Title:

SIGNATORIES:

The Issuer:

Sparebanken Sør

By: \_\_\_\_\_

Name:

Title:

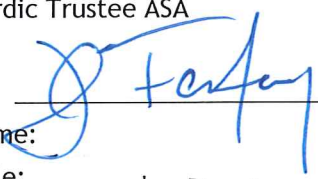
The VPS Trustee:

Nordic Trustee ASA

By: \_\_\_\_\_

Name:

Title:



Forfang  
Director

**SCHEDULE 1**  
**VPS CONDITIONS**