

Final Terms dated 3 March 2016

KOMMUNALBANKEN AS

Issue of

ZAR 100,000,000 Zero Coupon Instruments due 22 December 2028 (the "Instruments")

(to be consolidated and form a single Series with the existing ZAR 200,000,000 Zero Coupon Instruments due 22 December 2028 issued on 22 December 2015, the existing ZAR 200,000,000 Zero Coupon Instruments due 22 December 2028 issued on 21 January 2016, the existing ZAR 200,000,000 Zero Coupon Instruments due 22 December 2028 issued on 2 February 2016 and the existing ZAR 200,000,000 Zero Coupon Instruments due 22 December 2028 issued on 16 February 2016 (the "Original Instruments"))

**UNDER THE
PROGRAMME FOR THE ISSUANCE OF DEBT INSTRUMENTS**

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 Instruments 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 Member State, from the requirement to publish a prospectus for offers of the Instruments. Accordingly any person making or intending to make an offer of the Instruments may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or the Manager 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 under "*Distribution – Public Offer*" in Part B below, provided such person is one of the persons described in "*Distribution – Public Offer*" in Part B below and that such offer is made during the Offer Period specified for such purpose therein.

With respect to any subsequent resale or final placement of Instruments as provided in sub-paragraph (ii) above, the Issuer consents to the use of the Base Prospectus and accepts responsibility for the content of the Base Prospectus. Neither the Issuer nor the Manager has authorised, nor do they authorise, the making of any offer of Instruments in any other circumstances.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive) and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU *provided, however, that* all references in this document to the "Prospectus Directive" in relation to any Member State of the European Economic Area refer to Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the relevant Member State), and include any relevant implementing measure in the relevant Member State.

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 10 April 2015 and the supplement to the base prospectus dated 2 July 2015 which together constitute a base prospectus (the "Base Prospectus") for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Instruments 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 Instruments is only available on the basis of the combination of these Final Terms and the Base Prospectus. A summary of the Instruments (which comprises the summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms. The Base Prospectus is available for viewing at Kommunalbanken AS, Haakon VIIIs gate 5b, 0110 Oslo, Norway and Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom and the website of the Luxembourg Stock Exchange (www.bourse.lu) and copies may be obtained from Kommunalbanken AS, Haakon VIIIs gate 5b, 0110 Oslo, Norway and Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom.

1.	(i)	Series Number:	5050
	(ii)	Tranche Number:	5
	(iii)	Date on which the Instruments become fungible:	The Instruments will be consolidated and form a single Series with the Original Instruments on the Issue Date
2.		Specified Currency:	South African Rand ("ZAR")
			Condition 9.4(g) (<i>Alternative Currency</i>) applies
3.		Aggregate Principal Amount:	
	(i)	Series:	ZAR 900,000,000
	(ii)	Tranche:	ZAR 100,000,000
4.		Issue Price:	33.837 per cent. of the Aggregate Principal Amount
5.	(i)	Specified Denominations:	ZAR 50,000
	(ii)	Calculation Amount:	ZAR 50,000
6.	(i)	Issue Date:	7 March 2016
	(ii)	Interest Commencement Date:	Not Applicable
7.		Maturity Date:	22 December 2028

8.	Types of Instruments:	Zero Coupon
9.	Interest Basis:	Zero Coupon (further particulars specified below)
10.	Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Instruments will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
11.	Change of Interest or Redemption/ Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	Status of the Instruments:	Senior

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	Fixed Rate Instrument Provisions	Not Applicable
15.	Floating Rate Instrument Provisions	Not Applicable
16.	Fixed Interest Discounted Issue Instrument Provisions	Not Applicable
17.	Zero Coupon Instrument Provisions	Applicable
	(i) Amortisation Yield:	8.840 per cent. per annum
	(ii) Reference Price:	33.837 per cent.
	(iii) Day Count Fraction:	Actual/Actual (ICMA)
18.	Index Linked Interest Instrument Provisions	Not Applicable
19.	Share Linked Interest Instrument Provisions	Not Applicable
20.	FX Linked Interest Instrument Provisions	Not Applicable
21.	Fund Linked Interest Instrument Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

22.	Notice periods for Condition 6.2 (<i>Early Redemption for Taxation Reasons</i>):	Not Applicable
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23.	Call Option	Not Applicable
24.	Put Option	Not Applicable
25.	Automatic Early Redemption	Not Applicable
26.	Maturity Redemption Amount of each Instrument	ZAR 50,000 per Calculation Amount
27.	Early Redemption Amount	
	(i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons	Amortised Face Amount
	(ii) Early Redemption Amount(s) per Calculation Amount payable on event of default or other early redemption:	Amortised Face Amount
28.	Index Linked Redemption Instruments	Not Applicable
29.	Share Linked Redemption Instruments	Not Applicable
30.	FX Linked Redemption Instruments	Not Applicable
31.	Instruments with Dual or Other Currency Settlement Conditions	Not Applicable
32.	Fund Linked Redemption Instruments	Not Applicable
33.	Commodity Linked Redemption Instruments:	Not Applicable
34.	Physical Delivery Instruments:	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

35.	Form of Instruments:	Bearer Instruments: Temporary Global Instrument exchangeable for a Permanent Global Instrument which is exchangeable for Definitive Bearer Instruments in the limited circumstances specified in the Permanent Global Instrument
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36. New Global Instrument: Yes

37. Applicable Financial Centre(s) or other special provisions relating to Payment Dates: London, Johannesburg and New York

38. Talons for future Coupons or Receipts to be attached to Definitive Bearer Instruments (and dates on which such Talons mature): No

39. Details relating to Partly Paid Instruments: Not Applicable

40. Details relating to Instalment Instruments: Not Applicable

41. Calculation Agent (including, in the case of Renminbi Instruments, the party responsible for calculating the Fixed Coupon Amount(s)): Not Applicable

SIGNATURE

Signed on behalf of the Issuer:

By:.....
Duly authorised

Kristine Solberg

Kristine H. Solberg
Documentation

Andreas Aleström
Andreas Aleström
International Funding

PART B - OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i) Listing:	Application has been made by the Issuer (or on its behalf) for the Instruments to be listed on the Official List of the Luxembourg Stock Exchange with effect from the Issue Date
(ii) Admission to trading:	The Original Instruments were listed on the Official List of the Luxembourg Stock Exchange
(iii) Estimate of total expenses related to admission to trading:	Application has been made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from the Issue Date
	The Original Instruments were admitted to trading on the regulated market of the Luxembourg Stock Exchange

2. RATINGS

The Instruments to be issued are expected to be rated:

Standard & Poor's Credit Market Services Europe Limited: AAA

Moody's Investors Service Ltd: Aaa

According to Moody's rating system, obligations rated "Aaa" are judged to be of the highest quality with minimal credit risk and according to the Standard & Poor's rating system, an obligor rated "AAA" has extremely strong capacity to meet its financial commitments

Standard & Poor's Credit Market Services Europe Limited and Moody's Investors Service Ltd are established in the European Economic Area and registered under Regulation (EC) No. 1060/2009, as amended (the "**CRA Regulation**"), and is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (www.esma.europa.eu/page/list-registered-and-certified-CRAs) in accordance with the CRA Regulation

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

So far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer

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

(i) Reasons for the offer: The net proceeds of the issue of the Instruments will be applied by the Issuer to meet part of its general financing requirements

(ii) Estimated net proceeds: ZAR 33,837,000

(iii) Estimated total expenses: Not Applicable

5. (*Fixed Rate Instruments only*) - YIELD

Not Applicable

6. (*Floating Rate Instruments only*) - HISTORIC INTEREST RATES

Not Applicable

7. (*Index-Linked or other variable-linked Instruments only*) - DESCRIPTION AND PERFORMANCE OF INDEX/ FORMULA/OTHER VARIABLE

Not Applicable

8. OPERATIONAL INFORMATION

ISIN Code: XS1335427958

Common Code: 133542795

CUSIP Number: Not Applicable

New Global Instrument intended to be held in a manner which would allow Eurosystem eligibility:

No

Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Instruments are capable of meeting them the Instruments may then be deposited with Euroclear or Clearstream, Luxembourg as common safekeeper. Note that this does not necessarily mean that the Instruments will then be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met

Clearing system(s):	Euroclear/Clearstream, Luxembourg
Delivery:	Delivery against payment
Names and addresses of additional Paying Agent(s) or Foreign Exchange Agent(s) (if any):	Not Applicable
Name and address of Luxembourg Intermediary Agent:	Not Applicable

9. DISTRIBUTION

(i) Method of distribution:	Non-syndicated
(ii) If syndicated, names and addresses of Managers and underwriting commitments:	Not Applicable
(iii) Date of Subscription Agreement:	Not Applicable
(iv) If non-syndicated, name and address of Manager:	RBC Europe Limited Riverbank House 2 Swan Lane London EC4R 3BF United Kingdom
(v) Stabilising Manager(s) (if any):	Not Applicable
(vi) Total (underwriting and placing) commission and concession:	Not Applicable
(vii) U.S. Selling Restrictions:	Regulation S Category 2; TEFRA D
(viii) Public Offer:	
(a) General Consent:	Not Applicable
(b) Specific Consent:	Applicable

The Issuer consents to the use of the Base Prospectus in connection with a Public Offer of the Instruments during the period from 3 March 2016 until the Issue Date (the "**Offer Period**") by the Manager in Luxembourg, Belgium, France, Germany and the United Kingdom (the "**Public Offer Jurisdictions**"), for so long as it is authorised to make such offers under the

10. TERMS AND CONDITIONS OF THE OFFER

Offer Price:	Issue Price
Conditions to which the offer is subject:	Not Applicable
Description of the application process:	Not Applicable
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	Not Applicable
Details of the minimum and/or maximum amount of application:	Not Applicable
Details of the method and time limits for paying up and delivering the Instruments:	Not Applicable
Manner in and date on which results of the offer are to be made public:	Not Applicable
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable
If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche.	Not Applicable
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	Not Applicable
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	No expenses will be chargeable by the Issuer to an Investor in connection with any offer of Instruments. Any expenses chargeable by the Manager to an Investor shall be charged in accordance with any contractual arrangements agreed between the Investor and the Manager at the time of the relevant offer.

Name(s) and address(es), to the extent None
known to the Issuer, of the placers in
the various countries where the offer
takes place:

SUMMARY OF THE ISSUE

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A - E (A.1 - E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "Not Applicable".

Section A - Introduction and Warnings	
A.1	Introduction: <i>This summary should be read as introduction to the Base Prospectus; and any decision to invest in the Instruments should be based on consideration of the Base Prospectus as a whole by the investor. Where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in such Instruments.</i>
A.2	Consent: <i>The Issuer consents to the use of the Base Prospectus in connection with a Public Offer of the Instruments by RBC Europe Limited (the "Authorised Offeror"), for so long as it is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC), in Luxembourg, Belgium, France, Germany and the United Kingdom (the "Public Offer Jurisdictions") on the basis that the relevant Public Offer must occur during the period from 3 March 2016 until 7 March 2016 (the "Offer Period").</i> The Authorised Offeror will provide information to Investors on the terms and conditions of the Public Offer of the Instruments at the time such Public Offer is made by the Authorised Offeror to the Investor.

Section B – Issuer																																														
B.1	Legal name of the Issuer: Commercial name of the Issuer:	Kommunalbanken AS ("KBN" or the "Issuer") Kommunalbanken Norway (KBN)																																												
B.2	Domicile, legal form, legislation and country of incorporation of the Issuer:	The Issuer is registered in Oslo, Norway as a joint stock company under the Norwegian law for limited companies (<i>Lov om aksjeselskap</i>) and operates under such law.																																												
B.4b	Trends:	Not Applicable. There is no known trend affecting the Issuer and the industry in which it operates.																																												
B.5	The Group:	Not Applicable. The Issuer does not belong to a group.																																												
B.9	Profit Forecast and Profit Estimate:	Not Applicable. The Issuer does not make profit forecasts or profit estimates.																																												
B.10	Audit Report Qualifications:	Not Applicable. There are no qualifications in the audit reports for the Issuer.																																												
B.12	Selected Key Financial Information:	<p>The table below shows certain selected summarised financial information which is derived from, and must be read together with, the Issuer's audited non-consolidated financial statements for the years ended 31 December 2014 and 31 December 2013 and the Issuer's audited non-consolidated financial statements for the year ended 31 December 2012 included as comparatives in the 31 December 2013 audited financial statements. The financial statements for the years ended 31 December 2014, 31 December 2013 and 31 December 2012 and the auditor's report and notes thereto are incorporated by reference in this Base Prospectus.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th><th colspan="3" style="text-align: center; border-bottom: 1px solid black;">31 December</th></tr> <tr> <th></th><th style="text-align: center;">2014</th><th style="text-align: center;">2013</th><th style="text-align: center;">2012</th></tr> <tr> <th></th><th colspan="3" style="text-align: center;">(NOK millions)</th></tr> </thead> <tbody> <tr> <td>Net interest income</td><td style="text-align: right;">1,515</td><td style="text-align: right;">1,634</td><td style="text-align: right;">2,032</td></tr> <tr> <td>Profit before tax</td><td style="text-align: right;">673</td><td style="text-align: right;">1,496</td><td style="text-align: right;">2,604</td></tr> <tr> <td>Instalment loans (principal amounts)</td><td style="text-align: right;">247,067</td><td style="text-align: right;">240,808</td><td style="text-align: right;">219,204</td></tr> <tr> <td>Total assets</td><td style="text-align: right;">455,466</td><td style="text-align: right;">361,918</td><td style="text-align: right;">348,953</td></tr> <tr> <td>Senior securities issued (principal amounts)</td><td style="text-align: right;">391,285</td><td style="text-align: right;">326,470</td><td style="text-align: right;">312,867</td></tr> <tr> <td>Total liabilities</td><td style="text-align: right;">447,130</td><td style="text-align: right;">353,702</td><td style="text-align: right;">341,558</td></tr> <tr> <td>Share capital.....</td><td style="text-align: right;">2,145</td><td style="text-align: right;">2,145</td><td style="text-align: right;">2,145</td></tr> <tr> <td>Total equity.....</td><td style="text-align: right;">8,336</td><td style="text-align: right;">8,216</td><td style="text-align: right;">7,395</td></tr> </tbody> </table>		31 December				2014	2013	2012		(NOK millions)			Net interest income	1,515	1,634	2,032	Profit before tax	673	1,496	2,604	Instalment loans (principal amounts)	247,067	240,808	219,204	Total assets	455,466	361,918	348,953	Senior securities issued (principal amounts)	391,285	326,470	312,867	Total liabilities	447,130	353,702	341,558	Share capital.....	2,145	2,145	2,145	Total equity.....	8,336	8,216	7,395
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IAS 19 *Employee Benefits* has been amended, effective from 1

		<p>January 2013. The amended standard requires recognition of actuarial gains and losses in other comprehensive income. The amendment applies retrospectively also to the 2012 comparative figures in the 2013 financial statements, which therefore are restated.</p> <p>There has been no material adverse change in the prospects or condition of the Issuer since 31 December 2014, being the date of its last published audited financial statements.</p> <p>There has been no significant change in the financial or trading position of the Issuer which has occurred since 31 December 2014, being the date of its last published audited financial statements.</p>
B.13	Recent Events:	Not Applicable. There have been no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.
B.14	Dependence upon other entities within the Group:	Not Applicable. As stated in Element B.5 above, the Issuer does not belong to a group.
B.15	The Issuer's Principal Activities:	<p>The Issuer's principal objective is to provide loans on competitive terms to counties, municipalities and inter-municipal companies for a variety of investment projects. Loans are also granted for power plants, private health institutions, co-operative water works and other entities that perform local government services, <i>provided that</i> loans are used to finance projects that can be designated as primary municipal investments and that each such loan benefits from a municipal guarantee.</p> <p>The Issuer offers a range of products to the municipal sector. The largest segment of the loan portfolio is linked to floating interest rates based either on short term money market rates or Norwegian Interbank Offer Rates (NIBOR) with various interest rate reset dates. Loans are also granted on a fixed rate basis with varying fixed rate periods set to meet each individual customer's needs and market views.</p> <p>The objective of the Issuer's funding operations is to meet growing borrowing requirements with a well diversified funding base, effectively achieved by regular issuance of benchmark transactions, a visible presence in institutional niche markets and by being a flexible issuer of structured instruments. The majority of funding is issued off the Programme. Bond issues take the form of public offerings or private placements. Public offerings are made to institutional and retail investors in a</p>

		number of currencies and countries.																			
B.16	Controlling Persons:	The Issuer is owned entirely by the Norwegian State represented by the Ministry of Local Government.																			
B.17	Ratings assigned to the Issuer or its Debt Securities:	<p>As at the date of this Base Prospectus, each of Standard & Poor's Credit Market Services Europe Limited and Moody's Investors Service Ltd have provided the following ratings:</p> <p>Moody's Investors Service Ltd</p> <table border="1"> <thead> <tr> <th rowspan="2">Long-term senior debt</th> <th colspan="3">Instruments issued under the Programme</th> </tr> <tr> <th>Senior unsecured</th> <th>Subordinated</th> <th>Short-term</th> </tr> </thead> <tbody> <tr> <td>Aaa</td> <td>Aaa</td> <td>Aa1</td> <td>P-1</td> </tr> </tbody> </table> <p>Standard & Poor's Credit Market Services Europe Limited</p> <table border="1"> <thead> <tr> <th rowspan="2">Long-term senior debt</th> <th colspan="2">Instruments issued under the Programme</th> </tr> <tr> <th>Senior unsecured with maturity of one year or more</th> <th>Senior unsecured with maturity of less than one year</th> </tr> </thead> <tbody> <tr> <td>AAA</td> <td>AAA</td> <td>A-1+</td> </tr> </tbody> </table> <p>Each of Standard & Poor's Credit Market Services Europe Limited and Moody's Investors Service Ltd is established in the European Union and registered under Regulation (EC) No 1060/2009, as amended (the "CRA Regulation") and are, as of the date of this Base Prospectus, included in the list of credit ratings agencies published by the European Securities and Markets Authority on its website (www.esma.europa.eu/page/list-registered-and-certified-CRAs) in accordance with the CRA Regulation.</p> <p>The Instruments to be issued are expected to be rated:</p> <p>Standard & Poor's Credit Market Services Europe Limited: AAA</p> <p>Moody's Investors Service Ltd: Aaa</p>	Long-term senior debt	Instruments issued under the Programme			Senior unsecured	Subordinated	Short-term	Aaa	Aaa	Aa1	P-1	Long-term senior debt	Instruments issued under the Programme		Senior unsecured with maturity of one year or more	Senior unsecured with maturity of less than one year	AAA	AAA	A-1+
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	Section C - The Instruments	
C.1	Type and Class of Securities, Security Identification Number:	<p>The Instruments are zero coupon notes.</p> <p>The Instruments are issued as Series number 5050, Tranche number 5.</p> <p>Security Identification Number(s):</p>

		ISIN Code: XS1335427958 Common Code: 133542795
C.2	Currency of the Securities Issue:	The currency of the Instruments is South African Rand ("ZAR") <i>provided, however, that</i> Condition 9.4(g) (Alternative Currency) applies and payments in respect of the Instruments may be converted into and paid in another currency
C.5	Restrictions on Free Transferability:	The Issuer and the Dealers have agreed certain restrictions on offers, sales and deliveries of Instruments and on the distribution of offering material.
C.8	The Rights Attaching to the Securities, including Ranking and Limitations to those Rights:	<p><i>Negative Pledge:</i> The Instruments have the benefit of a negative pledge in respect of any indebtedness for money borrowed or raised in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market).</p> <p><i>Cross Default:</i> The Instruments have the benefit of a cross default subject to a threshold of EUR20,000,000 (or its equivalent in any other currency or currencies).</p> <p><i>Status of the Instruments:</i> The Instruments are unsubordinated Instruments.</p> <p><i>Governing Law:</i> The Instruments, all related contractual and any non-contractual obligations arising out of or in connection with them will be governed by English law.</p> <p><i>Enforcement of Instruments in Global Form:</i> In the case of Instruments in global form, the rights of investors will be supported by a Deed of Covenant dated 10 April 2015, a copy of which will be available for inspection at the specified office of the Issue and Paying Agent.</p>
C.9	The Rights Attaching to the Securities (Continued), Including Information as to Interest, Maturity, Yield and the Representative of the Holders:	<p>See C.8 for a description of the rights attaching to the Instruments, ranking and limitations.</p> <p><i>Interest:</i> The Instruments are not interest-bearing.</p> <p><i>Maturities:</i> Unless previously redeemed, or purchased and cancelled, the Instruments will be redeemed on 22 December 2028.</p> <p><i>Redemption:</i> Unless previously redeemed, or purchased and cancelled, each Instrument will be redeemed at its Maturity Redemption Amount of 100 per cent.</p>

		<p>Optional Redemption: Not Applicable.</p> <p>Automatic Early Redemption: Not Applicable.</p> <p>Tax Redemption: Early redemption will only be permitted if (i) the Issuer has or will become obliged to pay certain additional amounts in respect of the Instruments as a result of any change in the tax laws, regulations and rulings of Kingdom of Norway, (ii) such obligations cannot be avoided by the Issuer, and (iii) such circumstances are evidenced by the delivery by the Issuer of a certificate signed by two directors of the Issuer and an opinion of independent legal advisers of recognised standing that such circumstances prevail (in such a case, redemption (being in whole, but not in part) together with any accrued interest, and by the Issuer's giving of not less than 30 nor more than 60 day's prior notice to the Holders).</p> <p>Yield: Not Applicable.</p> <p>Representative of the Holders: See "Enforcement of Instruments in Global Form" in C.8.</p>
C.10	Derivative components in interest payment:	Not Applicable; there is no derivative component in the interest payments.
C.11	Trading on a regulated market:	Application has been made for the Instruments to be admitted to trading on the regulated market of the Luxembourg Stock Exchange.
C.15	Value of the Instruments and value of the Underlying:	Not Applicable. There is no underlying which may affect the values of the Instruments.
C.16	Exercise Date or Final Reference Date:	Not Applicable. The Instruments do not have an underlying and are not derivative securities.
C.17	Settlement Procedure:	Settlement of any Instruments that are represented by a Global Instrument shall take place on the relevant redemption date and will be effected by the Issuer paying the redemption amount to the relevant Paying Agents for onward transmission to Euroclear and/or Clearstream, Luxembourg (as applicable). Investors will receive their redemption monies through their accounts in Euroclear and/or Clearstream, Luxembourg (as applicable) in accordance with the standard settlement procedures of Euroclear and/or Clearstream, Luxembourg (as

		applicable). In respect of Instruments that are in definitive form, payment of the redemption amount will be made against presentation and surrender of the Instruments at the specified office of any Paying Agent.
C.18	The Return:	Not Applicable. The Instruments do not have an underlying and are not derivative securities.
C.19	Exercise Price or Final Reference Price:	Not Applicable. The Instruments do not have an underlying and are not derivative securities.
C.20	Type of Underlying:	Not Applicable. The Instruments do not have an underlying.
C.21	Indication of the market where the securities will be traded:	Application has been made for the Instruments to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and for which the Base Prospectus has been published.

	Section D - Risks	
D.2	Key Risks Specific to the Issuer:	<ul style="list-style-type: none"> • <i>Interest rate risk</i> – The Issuer may not be able to manage the mismatch in the interest periods between its lending and funding activities. • <i>Counterparty risk</i> – The Issuer may face counterparty risks which it may not be able to effectively manage. • <i>Liquidity risk</i> – The Issuer may face liquidity risks which it may not be able to effectively manage. • <i>The Issuer has not registered, and will not register, as an investment company under the Investment Company Act</i> – The Issuer will seek to qualify for an exemption from the definition of "investment company" under the Investment Company Act and will not register as an investment company in the United States under the Investment Company Act. • <i>The Kingdom of Norway does not guarantee any of the Issuer's obligations</i> – As at the date of this Base Prospectus, the Issuer is owned entirely by the Norwegian State as represented by the Ministry of Local Government. However, the Norwegian State does not guarantee any of the Issuer's obligations including the Instruments and payment to holders of Instruments is therefore solely

		dependent on the creditworthiness of the Issuer.
D.3	Key Risks Specific to the Instruments:	<ul style="list-style-type: none"> <i>Instruments subject to limited liquidity</i> – The Instruments may not be actively traded creating a lack of liquidity and resulting in the Instruments trading at a discount to their initial offering price. <i>Reliance on the procedures of the clearing systems</i> – As the Issuer will make payments in respect of any Instrument held in a global form through the relevant clearing system, the beneficial holders of such Instruments will need to rely on the procedures of the relevant clearing system in respect of payments relating to the Instruments, as well as exercising of voting rights. <i>Nominee arrangements</i> – Where a nominee service provider is used by an investor, the investor is exposed to credit and default risk in relation to such nominee. The nominee may also fail to perform its duties. <p>There are also certain risks relating to the Instruments generally, such as restrictions on transfer, Instruments being issued at a substantial discount or premium, credit or corporate ratings not reflecting all the risks, modification and waiver, change of law and minimum specified denominations.</p>
D.6	Risk Warning and key information on the key risks specific to the Instruments	Not applicable. The Instruments do not have a redemption amount linked to an underlying.

	Section E – Offer	
E.2b	Reasons for the Offer and Use of Proceeds:	The net proceeds of the issue of the Instruments will be applied by the Issuer to meet part of its general financing requirements.
E.3	Terms and Conditions of the Offer:	A Public Offer of the Instruments will take place in the Public Offer Jurisdiction(s) during the Offer Period. Any investor intending to acquire or acquiring any Instruments from the Authorised Offeror will do so, and offers and sales of the Instruments to an investor by the Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocation and settlement arrangements.

E.4	Interests Material to the Issue:	The Issuer has appointed the Authorised Offeror as Dealer in respect of the issue of the Instruments. The arrangements under which the Instruments are sold by the Issuer to, and purchased by, the Authorised Offeror are set out in the Dealer Agreement made between, amongst others, the Issuer and the Authorised Offeror.
E.7	Estimated Expenses:	Not Applicable. No expenses will be chargeable by the Issuer to an Investor in connection with any offer of Instruments. Any expenses chargeable by the Authorised Offeror to an Investor shall be charged in accordance with any contractual arrangements agreed between the Investor and such Authorised Offeror at the time of the relevant offer.