



FRN Landbruksforsikring AS Subordinated Callable Bond Issue 18/28 (the “Bonds” or the “Bond Issue”)

Terms:

Documentation:

The Loan Agreement ¹⁾ is described more closely in Standard Terms

Before investing in the bond, the investor is encouraged to become familiar with relevant documents such as this term sheet, the Loan Agreement and the Issuer’s financial accounts and articles of association and if relevant, listing dokument. The documents are available from the Issuer and in Relevant Places. In the case of any discrepancies between the Loan Agreement and this term sheet, the Loan Agreement will apply.

Relevant Places:	www.landbruksforsikring.no		
Issuer/Borrower:	Landbruksforsikring AS		
Borrowing Limit – Tap Issue:	NOK 80 000 000		
First Tranche / Loan Amount : ²⁾	NOK 80 000 000		
Disbursement Date: ³⁾	22 June 2018		
Maturity Date: ⁴⁾	22 June 2028		
NIBOR: ⁵⁾	NIBOR 3 months		
Margin:	3,50%		
Coupon Rate: ⁶⁾	NIBOR + margin		
Day Count Fraction– Coupon:	Act/360		
Date of interest adjustment: ^{7) 9)}	22 September, 22 December, 22 March, 22 June each year		
Business Day Convention: ⁸⁾	Modified following		
Interest Payment Date: ⁹⁾	Each interest adjustment date		
Interest accrual date (from and including):	Disimbursement Date		
Final coupon date (to):	Maturity Date		
# days first term:	94 days		
Status of the Loan ¹⁰⁾	N/A		
Issue Price: ¹¹⁾	100%		
Denomination:	NOK 100 000		
Bondholder’s put option: ¹²⁾	Redemption Date(s):	N/A	Price: N/A
Issuer’s call option: ¹³⁾	Redemption Date(s):	First time 22 June 2018 and every interest payment date thereafter.	Price: 100%

Issuer’s org. number:	983 784 895				
LEI code:	5967007LIEEXZXAOU97				
Number / Codes:	Sector Code :	5700	Geographic code: 0301	0301	Industry (trade) Code: 65120

Usage of funds: General corporate purposes and for the Bonds to qualify as Tier 2 capital (basic own funds) of the Issuer for the purpose of the Applicable Regulation and as determined by the Issuer’s Supervisor.

Approvals / Permissions:

- The listing document has been inspected by Oslo Børs
- The bonds have been issued in accordance with the issuer’s board approval dated 13 March 2018.
- Approval by the Financial Supervisory Authority of Norway received 30 May 2018.

Trustee / Bondholders' Representative:	Nordic Trustee AS, Postboks 1470 Vika, 0116 Oslo
Arranger(s):	SpareBank 1 Markets
Paying Agent:	Landkreditt Bank AS
Securities Depository:	The Norwegian Central Securities Depository ("VPS")
Market making:	No market-maker agreement has been made for the Bonds.
Special (distinct) conditions:	Manufacturer target market (MIFID II product governance): Eligible counterparties and professional clients only. No PRIIPs, no KID.

Optional Redemption (point 3.8 p. 13 of the Loan Agreement)

- (a) Issuer may on the First Call Date or any Interest Payment Date thereafter, if the Issuer provides satisfactory evidence to the Bond Trustee (on behalf of the Bondholders), that
- (i) in the opinion of the Issuer's Supervisor no Capital Requirement Breach has occurred or is likely to occur as a result of a redemption, and (ii) the Issuer has received prior consent of the Issuer's Supervisor, redeem in a manner permitted by any Applicable Regulations and other applicable law all (but not only some) of the outstanding Bonds at the Redemption Price, without any premium or penalty.
- (b) If the Issuer and/or the Issuer Group is in a Capital Requirement Breach or repayment or redemption would lead to such Capital Requirement Breach, redemption may be made notwithstanding (i) and/or (ii) above if:
- (i) the Issuer's Supervisor has exceptionally waived the suspension of repayment or redemption of that item;
- (ii) the item is exchanged for or converted into another Tier 2 or basic own-fund item of at least the same quality; and
- (iii) the Minimum Capital Requirement is complied with after the repayment or redemption.
- (c) Exercise of an Optional Redemption shall be notified in writing to the Bondholders in accordance with paragraph (b) of Clause 8.3 (*Notices*) at least ten (10) Business Days prior to the relevant redemption date (the "Redemption Notice").
- (d) If the Issuer provides satisfactory evidence to the Bond Trustee (on behalf of the Bondholders), that a;
- (i) Capital Disqualification Event;
- (ii) Rating Agency Event; or
- (iii) Taxation Event;
- has occurred when the Bonds are outstanding, the Issuer may subject to (i) no Capital Requirement Breach having occurred or would occur as a result of a redemption, (ii) prior consent of the Issuer's Supervisor, and (iii) the provisions of paragraph (c) of Clause 3.10 (*Preconditions to redemption, purchase, variation or substitution*) below (as applicable), redeem all (but not only some) of the outstanding Bonds at the Redemption Price, without any premium or penalty.
- (e) Exercise of the Optional Redemption shall be notified by a Redemption Notice.

Optional redemption	Issuer's Call pursuant to Clause 3.8 (<i>Optional Redemption</i>) and the dates stated therein at the Redemption Price. The relevant redemption dates shall be adjusted pursuant to the Business Day Convention.
Interest payment date	Means the last day of each Interest Period.
Capital requirement breach	A breach of the applicable capital requirements or solvency requirements applicable to the Issuer and the Issuer Group from time to time as such requirements are defined under the Applicable Regulations, and for the avoidance of any doubt and without limitation to the foregoing, including a breach of the solvency capital requirement as defined in Section 14-10 of the Financial Undertakings Act and as further detailed in Applicable Regulations.
Issuer's Supervisor	The Financial Supervisory Authority of Norway (No: <i>Finanstilsynet</i>) and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer and the Issuer Group.
Applicable Regulations	Any legislation, rules or regulations (whether having the force of law, regulations or otherwise) applying to the Issuer, the Issuer Group or any member of the Issuer Group from time to time relating to the characteristics, features or criteria of own-funds or capital resources and, for the avoidance of doubt and without limitation to the foregoing, includes any legislation, rules or regulations implementing EEA-rules corresponding to Directive 2009/138/EC of 25 November 2009 on the taking-up and pursuit of business of insurance and reinsurance as amended from time to time (the "Solvency II directive") into Norwegian law, including, without limitation, any implementing measures adopted pursuant to the Solvency II directive (as amended from time to time) including, without limitation, the Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, the Norwegian Financial Undertakings Act of 10 April 2015 no. 17 (the "Financial Undertakings Act", No: <i>Finansforetakslovem</i> , the Norwegian Solvency II regulation of 25 August 2015 no. 999 (the "Norwegian Solvency II regulation", No: <i>Solvens II-forskriftens</i> , the Norwegian Solvency II supplementary regulation of 21 December 2015 no. 1807 and the other applicable implementing measures adopted pursuant to the

Solvency II directive (as amended from time to time) which are in force in Norway from time to time.

Minimum Capital Requirement	The minimum capital requirement for the Issuer and the Issuer Group as defined in Section 14-11 of the Financial Undertakings Act as further detailed in the Applicable Regulations.
Capital Disqualification Event	An event which occurs if, as a result of any replacement of or change to (or change to the interpretation by any COUlt or authority entitled to do so of) the Applicable Regulations which becomes effective on or after the Issue Date, the Bonds or part of the Bonds are no longer, or the Issuer has demonstrated to the satisfaction of the Issuer's Supervisory that there is a substantial risk that they will no longer be, eligible in accordance with the Applicable Regulations to count as cover for the capital or solvency requirements (however such terms are described from time to time in the Applicable Regulations) for the Issuer whether on a single or consolidated basis (and including, for the avoidance of doubt, any regulatory change to any applicable limitation on the amount of such capital).
Rating Agency Event	If and when the Bonds are rated by a Rating Agency, a change in the rating methodology, or in the interpretation of such methodology, as the case may be, becoming effective after the Issue Date, as a result of which the capital treatment assigned by a Rating Agency to the Bonds or part thereof, as notified by such Rating Agency to the Issuer Ol' as published by such Rating Agency, becomes, in the reasonable opinion of the Issuer, materially unfavourable for the Issuer, when compared to the capital treatment assigned by such Rating Agency to the Bonds, as notified by such Rating Agency to the Issuer or as published by such Rating Agency, on or around the Issue Date.
Taxation Event	An event which occurs as a result of any amendment to, clarification of or change (including any announced prospective change) in the laws or treaties (or regulations thereunder) of Norway affecting taxation (including any change in the interpretation by any court or authority entitled to do so) or any governmental action, on 01' after the Issue Date, and there is a substantial risk that: (i) the Issuer is, 01' will be, subject to a significant amount of other taxes, duties 01' other governmental charges or civil liabilities with respect to the Bonds; (ii) the treatment of any of the Issuer's items of income or expense with respect to the Bonds as reflected on the tax returns (including estimated returns) filed (or to be filed) by the Issuer will not be respected by a taxing authority, which subjects the Issuer to more than a significant amount of additional taxes, duties or other governmental charges; or (iii) the Issuer would be required to gross up interest payments.
Supplementary information about the status of the loan:¹⁰⁾	The Bonds will constitute direct, unsecured and subordinated debt obligations, and will in connection with a Bankruptcy Event of the Issuer rank: <ol style="list-style-type: none">I. <i>pari passu</i> without any preference among the Bonds;II. <i>pari passu</i> with all outstanding Parity Obligations;III. in priority to payments to creditors in respect of Junior Obligations; andIV. junior in right of payment to (i.e. be subordinated to) any present or future claims of (i) policyholders of the Issuer, and (ii) any other unsubordinated creditors of the Issuer.
Bankruptcy Event	A decision by the Ministry of Finance that the Issuer shall become subject to public administration (<i>No: offentlig administrasjonj</i> according to chapter 21 of the Financial Undertakings Act, as amended from time to time).

Standard Terms:

If any discrepancy should occur between this Loan Description and the Loan Agreement, then the Loan Agreement will apply.

Loan Agreement:¹⁾

The Loan Agreement will be entered into between the Issuer and the Trustee prior to Disbursement Date. The Loan Agreement regulates the Bondholder's rights and obligations in relations with the Issue. The Trustee enters into this agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Loan Agreement.

When bonds are subscribed/purchased, the Bondholder has accepted the Loan Agreement and is bound by the terms of the Loan Agreement. If subscription is made prior to finalisation of the Loan Agreement, the subscriber is deemed to have granted authority to the Trustee to finalise the Loan Agreement. For tap issues, the Loan Agreement will apply for later issues made within the Borrowing Limit. The parties' rights and obligations are also valid for subsequent issued bonds within the Borrowing Limit.

Open / Close:³⁾⁴⁾

Tap Issues will be opened on Disbursement Date and closed no later than five banking days before Maturity Date.

Disbursement Date:³⁾

Payment of the First Tranche / Loan Amount takes place on the Disbursement Date. In case of late

payment, the applicable default interest rate according to "lov 17. desember 1976 nr 100 om renter ved forsinket betaling m.m." will accrue.

Expansions – Tap Issues: ²⁾	For Tap Issues the Issuer can increase the loan above the First Tranche/Loan Amount, before the initial Disbursement Date. For taps not falling on Interest Payment Dates, Accrued Interest will be calculated using standard market practice in the secondary bond market. The Issuer may apply for an increase of the Borrowing Limit.
Issue price – Tap Issues: ¹¹⁾	Any taps under the Tap Issue will be made at market prices.
Interest Determination Date: ⁷⁾	2 Business Days prior to Date of Interest Payment Date
Interest Determination: ⁶⁾⁷⁾	The regulation of the Interest Rate is effective from each Interest Payment Date. The new interest rate is determined on Interest Determination Date based on NIBOR with additional margin. The new interest rate and the next interest term/period will be notified the Bondholders in writing through the Securities Depository. The Trustee and Nordic ABM shall also be notified immediately.
NIBOR – definition: ⁵⁾	(Norwegian Interbank Offered Rate) Interest rate fixed for a defined period on Oslo Børs' webpage at approximately 12.15 Oslo time. In the event that such page is not available, has been removed or changed such that the quoted interest rate no longer represents, in the opinion of the Bond Trustee, a correct expression of the Reference Rate, an alternative page or other electronic source which in the opinion of the Bond Trustee and the Issuer gives the same interest rate as the initial Reference Rate shall be used. If this is not possible, the Bond Trustee shall calculate the Reference Rate based on comparable quotes from major banks in Oslo. NIBOR is calculated to two Business Days prior to every Interest Determination Date, rounded to the nearest hundredth of a percentage point, for the Interest Period stated. NIBOR applies with effect from each Date of Interest Adjustment to the next Date of Interest Adjustment. If NA is specified, Reference Rate does not apply.
Interest Period: ⁹⁾⁷⁾	The interest is paid in arrears on the Interest Payment Date. The first interest period matures on the first Interest Payment Date after the Disbursement Date. The next period runs from this date until the next Interest Payment Date. The last period of interest ends on Maturity Date.
Accrued interest:	Accrued Interest for trades in the secondary bond market are calculated on the basis of current recommendations of Norsk Finansanalytikerforening.
Standard Business Day Convention: ⁸⁾	Modified Following: If the Interest Payment Date is not a banking day, the Interest Payment Date shall be postponed to the next banking day. However, if this day falls in the following calendar month, the Interest Payment Date is moved to the first banking day preceding the original date.
Condition – Bondholder's put option: ¹²⁾	Exercise of Put shall be notified by the Bondholder to its Securities Register agent no later than the last Business Day before the end of the Put Period, and the settlement of the Put shall take place the fifteenth Business Day after the end of the Put Period.
Condition – Issuer's call option: ¹³⁾	Exercise of Call shall be notified by the Issuer to the Bondholders and the Bond Trustee at least ten Business Days prior to the relevant Call Date. Partial exercise of Call shall be carried out pro rata between the Bonds (according to the procedures in the Securities Register).
Registration:	The loan must prior to disbursement be registered in the Securities Depository. The bonds are being registered on each Bondholders account in the Securities Depository.
Issuer's acquisition of bonds:	The Issuer has the right to acquire Bonds and to retain, sell or discharge such Bonds in the Securities Depository. Subordinated bonds may not be purchased, sold or discharged by the Issuer without the consent of Finanstilsynet, provided that such consent is required.
Amortisation: ⁴⁾	The bonds will run without instalments and be repaid in full on Maturity Date at par, provided the Issuer has not called the bonds.
Redemption:	Matured interest and matured principal will be credited each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of May 18 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.
Sale:	Tranche 1/ Loan Amount has been sold by the Arranger(s). Later taps can be made by authorized securities brokers.
Legislation:	Disputes arising from or in connection with the Loan Agreement, which are not resolved amicably, shall be resolved in accordance with Norwegian law and the Norwegian courts. Legal suits shall be served at the Trustee's competent legal venue.
Fees and expenses:	Any public fees payable in connection with the Bond Agreement and fulfilling of the obligations pursuant to the Bond Agreement shall be covered by the Issuer. The Issuer is not responsible for reimbursing any public fees levied on the trading of Bonds. The Issuer is responsible for withholding any withholding tax imposed by Norwegian law.



Oslo 22 August 2018

