



Pohjola

Pohjola Bank plc

(incorporated with limited liability in the Republic of Finland)

EUR 15,000,000,000 Programme for the Issuance of Debt Instruments

On 10 March, 1992, Pohjola Bank plc (the “**Bank**” “**Pohjola**” or “**Pohjola Bank**”) established a Programme for the Issuance of Debt Instruments (the “**Programme**”). This base prospectus (the “**Base Prospectus**”) supersedes the previous Base Prospectus dated 7 November, 2008. Any Instruments (as defined below) issued under the Programme after the date hereof are issued subject to the provisions set out herein. This does not affect any Instruments issued prior to the date hereof.

This Base Prospectus has been approved by the United Kingdom Financial Services Authority (the “**FSA**”), which is the United Kingdom competent authority for the purposes of Directive 2003/71/EC (the “**Prospectus Directive**”) and relevant implementing measures in the United Kingdom, as a base prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the issue of instruments (“**Instruments**”) issued under the Programme described in this Base Prospectus during the period of twelve months after the date hereof. Applications have been made for such Instruments to be admitted during the period of twelve months after the date hereof to listing on the Official List of the UK Listing Authority (the “**UKLA**”) and to trading on the regulated market of the London Stock Exchange plc (the “**London Stock Exchange**”), which is a regulated market for the purposes of the Markets in Financial Instruments Directive (2004/39/EC) (“**MiFID**”).

The Programme also permits Instruments to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Bank.

This Base Prospectus supersedes and replaces any previous Information Memorandum, Base Prospectus or Supplemental Base Prospectus relating to the Programme.

The Instruments have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the “**Securities Act**”) and may not be offered, sold or delivered in the United States or to, or for the benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from the registration requirements of the Securities Act.

Investing in Instruments issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Bank to fulfil its obligations under the Instruments are discussed under “Risk Factors” below.

Barclays Capital
Citi
Credit Suisse
DZ BANK AG
Nomura International
UBS Investment Bank

BofA Merrill Lynch
CALYON Crédit Agricole CIB
Deutsche Bank
J.P. Morgan
Pohjola Bank plc

(Arranger for the Programme)

Citi

Dated 11 November, 2009

Pohjola Bank accepts responsibility for the information contained in this Base Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

*Each Tranche (as defined herein) of Instruments will be issued on the terms set out herein under “Terms and Conditions of the Instruments” (the “**Conditions**”) as amended and/or supplemented by a document specific to such Tranche called final terms (the “**Final Terms**”) or in a separate prospectus specific to such Tranche (the “**Drawdown Prospectus**”) as described under “Final Terms and Drawdown Prospectuses” below. In the case of a Tranche of Instruments which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise. This Base Prospectus must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Instruments which is the subject of Final Terms, must be read and construed together with the relevant Final Terms.*

*Pohjola Bank has confirmed to the dealers (the “**Dealers**”) named under “Subscription and Sale” that this Base Prospectus is true and accurate in all material respects and not misleading; the opinions and intentions expressed herein are honestly held; that there are no other facts in relation to the information contained or incorporated by reference herein the omission of which would make this document as a whole or the expression of any such opinions or intentions misleading; and that all reasonable care has been taken by the Bank to ensure that such is the case. The Bank has further confirmed to the Dealers that this Base Prospectus (subject to being supplemented by the Final Terms or Drawdown Prospectus) contains all such information as investors and their professional advisers would reasonably require, and reasonably expect to find, for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Bank and its subsidiaries taken as a whole and of the rights attaching to the relevant Instruments.*

The Bank has not authorised the making or provision of any representation or information regarding the Bank or the Instruments other than as contained or incorporated by reference in this Base Prospectus, in the Dealership Agreement (as defined herein) or any Final Terms or as approved for such purpose by the Bank or such other information as is in the public domain. Any such representation or information should not be relied upon as having been authorised by the Bank, the Dealers or any of them.

*The Instruments may be offered and sold (i) outside the United States to non-U.S. persons in reliance on Regulation S (“**Regulations S**”) under the Securities Act and (ii) within the United States to “qualified institutional buyers” (each a “**QIB**”) in reliance on Rule 144A (“**Rule 144A**”) under the Securities Act. Prospective purchasers are hereby notified that sellers of the Instruments may be relying on the exemption from provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of Instruments and distribution of this Prospectus see “Subscription and Sale”.*

THE INSTRUMENTS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE US SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF INSTRUMENTS OR THE ACCURACY OR THE ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of us or any of the Dealers or the Arranger to subscribe for, or purchase, any of the Instruments.

Neither the Dealers nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Instrument shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial situation of the Bank since the date hereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented.

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Instruments in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Bank and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Instruments and on distribution of this Base Prospectus or any Final Terms and other offering material relating to the Instruments see "Subscription and Sale". In particular, Instruments have not been and will not be registered under the Securities Act and may include Instruments in bearer form which are subject to U.S. tax law requirements. Subject to certain exceptions, Instruments may not be offered, sold or delivered within the United States or to U.S. persons.

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

In this Base Prospectus references unless otherwise specified, to "Dollars", "United States Dollars" and "U.S.\$" are to the currency of the United States of America, references to "euro", "EUR" and "€" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the treaty establishing the European Community as amended, references to "Pounds Sterling" and "£" are references to the currency of the United Kingdom, references to "Japanese Yen" and "¥" are references to the currency of Japan and references to a "Member State" are references to a Member State of the European Economic Area.

*This Base Prospectus has been prepared on the basis that 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 Relevant Member State, from the requirement to publish a prospectus for offers of Instruments. Accordingly any person making or intending to make an offer in that Relevant Member State of Instruments which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms or a Drawdown Prospectus in relation to the offer of those Instruments may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Instruments in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.*

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED, 1955 ("RSA 421-B"), WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE OF NEW HAMPSHIRE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF INSTRUMENTS, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN THE APPLICABLE FINAL TERMS MAY OVER-ALLOT INSTRUMENTS OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE INSTRUMENTS AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF A STABILISING MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE

PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF INSTRUMENTS IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF INSTRUMENTS AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF INSTRUMENTS. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISING MANAGER(S) (OR PERSON(S) ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

FOR A DESCRIPTION OF THESE ACTIVITIES IN RELATION TO ANY SERIES OF INSTRUMENTS, A PORTION OF WHICH IS OFFERED OR SOLD WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS, SEE "SUBSCRIPTION AND SALE".

AVAILABLE INFORMATION

*The Bank has agreed that, for so long as any Instruments are "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, it will during any period that it is neither subject to section 13 or 15(d) of the United States Securities and Exchange Act of 1934, as amended (the "**Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder furnish, upon request, to any holder or beneficial owner of Instruments or any prospective purchaser designated by any such holder or beneficial owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.*

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INFORMATION INCORPORATED BY REFERENCE

The following information shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (1) the audited consolidated financial statements (including the auditors' report thereon and notes thereto) of Pohjola Bank Group (as defined on page 63) in respect of the years ended 31 December, 2008 and 31 December, 2007;
- (2) the unaudited interim consolidated financial statements of the Pohjola Bank Group for the period 1 January to 31 March, 2009 (except for the section entitled "Outlook towards the year end" on pages 13 and 14);
- (3) the unaudited interim consolidated financial statements of the Pohjola Bank Group for the period 1 January to 30 June, 2009 (except for the sixth paragraph (entitled "Outlook") under the heading "January – June" on page 1 and the section entitled "Outlook towards the year end" on page 15);
- (4) the unaudited interim consolidated financial statements of the Pohjola Bank Group for the period 1 January to 30 September, 2009 (except for the sixth paragraph (entitled "Outlook") under the heading "January – September" on page 1 and the section entitled "Outlook towards the year end" on page 16);
- (5) the terms and conditions set out on pages 6-23 of the information memorandum dated 3 April 2001 (the "**2001 Conditions**");
- (6) the terms and conditions set out on pages 6-23 of the information memorandum dated 18 March 2002 (the "**2002 Conditions**");
- (7) the terms and conditions set out on pages 7-25 of the information memorandum dated 17 April 2003 (the "**2003 Conditions**");
- (8) the terms and conditions set out on pages 7-25 of the information memorandum dated 23 April 2004 (the "**2004 Conditions**");
- (9) the terms and conditions set out on pages 17-35 of the base prospectus dated 2 November 2005 (the "**2005 Conditions**");
- (10) the terms and conditions set out on pages 20-37 of the base prospectus dated 10 November 2006 (the "**2006 Conditions**");
- (11) the terms and conditions set out on pages 20-39 of the base prospectus dated 9 November 2007 (the "**2007 Conditions**"); and
- (12) the terms and conditions set out on pages 23-43 of the base prospectus dated 7 November 2008 (the "**2008 Conditions**").

Copies of the documents containing the information incorporated by reference in this Base Prospectus can be obtained, free of charge, from the registered office of Pohjola Bank as set out at the end of this Base Prospectus or Pohjola Bank's website at <http://www.pohjola.com>.

Any information contained in any of the documents incorporated by reference in this Base Prospectus, other than information listed above, is for information only and does not form part of this Base Prospectus.

The Bank will in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus, prepare a further supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of the Instruments.

If the terms of the Programme are modified or amended in a manner that would make this Base Prospectus, as supplemented, inaccurate or misleading, a new Base Prospectus or supplement will be prepared.

OVERVIEW OF THE PROGRAMME

The following overview of the Programme does not purport to be complete and is qualified in its entirety by the remainder of this Base Prospectus. Words and expressions defined in the “Terms and Conditions of the Instruments” below or elsewhere in this Base Prospectus have the same meanings in this overview.

Issuer:	Pohjola Bank plc
Arranger:	Citigroup Global Markets Limited
Dealers:	Barclays Bank PLC, Citigroup Global Markets Limited, CALYON, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, J.P. Morgan Securities Ltd., Merrill Lynch International, Nomura International plc, Pohjola Bank plc, UBS Limited and any other dealer appointed from time to time by the Bank. The Bank may also issue Instruments to any other person or institution.
Fiscal Agent:	Deutsche Bank AG, London Branch
Principal Registrar:	Deutsche Bank Trust Company Americas, Corporate Trust and Agency Services
Programme Amount:	EUR 15,000,000,000 (or its approximate equivalent in other currencies), subject to any duly authorised increase or decrease.
Final Terms or Drawdown Prospectus:	Instruments issued under the Programme may be issued either (1) pursuant to this Base Prospectus and associated Final Terms or (2) pursuant to a Drawdown Prospectus. The terms and conditions applicable to any particular Tranche of Instruments will be the Terms and Conditions of the Instruments as supplemented, amended and/or replaced to the extent described in the relevant Final Terms or, as the case may be the relevant Drawdown Prospectus.
Listing and Admission to Trading:	Applications have been made for Instruments to be admitted during the period of twelve months after the date hereof to listing on the Official List of the UKLA and to trading on the regulated market of the London Stock Exchange. The Programme also permits Instruments to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Bank.
Form of Instruments:	<p>Instruments may be issued in bearer form or in registered form.</p> <p>In respect of Instruments issued in bearer form, each Tranche of Instruments will initially be in the form of either a temporary global Instrument or a permanent global Instrument, in each case as specified in the relevant Final Terms. Each global Instrument which is not intended to be issued in new global instrument form (a “Classic Global Instrument” or “CGI”), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date (the “Issue Date”) with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each global Instrument which is intended to be issued in new global instrument form (a “New Global Instrument” or “NGI”), as specified in the relevant Final Terms, will be deposited on or around the relevant Issue Date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Each temporary global Instrument will be exchangeable for a permanent global Instrument or, if so specified in the relevant Final Terms, for Instruments in definitive form. Certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a temporary global Instrument or receipt of any payment of interest in respect of a temporary global Instrument. Each permanent global Instrument will be exchangeable for definitive</p>

Instruments in accordance with its terms. Definitive Instruments will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.

Instruments in registered form may not be exchanged for Instruments in bearer form.

Status:	Instruments may be issued on a subordinated or an unsubordinated basis as specified in the relevant Final Terms.
Negative Pledge:	A negative pledge will apply in respect of Instruments issued on an unsubordinated basis.
Currencies:	Instruments may be denominated in any currency (including, without limitation, euro, Japanese Yen, Pounds Sterling, and United States Dollars), subject to compliance with all applicable legal or regulatory requirements. Instruments may, subject to compliance as aforesaid, be issued as dual currency Instruments.
Issuance:	The Instruments will be issued on a syndicated or non-syndicated basis. Instruments will be issued in series (each a “Series”). Each Series may comprise one or more Tranches issued on different Issue Dates. The Instruments of each Series will all be subject to identical terms except that the Issue Date and the amount of the first payment of interest may be different in respect of different Tranches. The Instruments of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Instruments of different denominations. Further Instruments may be issued as part of an existing Series.
Issue Price:	Instruments may be issued at par or at a discount or premium to par. The price and amount of Instruments to be issued under the Programme will be determined by the Bank and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.
Maturities:	Any maturity or with no fixed maturity date, subject in all cases, to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Redemption:	Instruments may be redeemable at par or at such other redemption amount (linked to an index or otherwise) as may be specified in the relevant Final Terms.
Optional Redemption:	Instruments may be redeemed before their stated maturity at the option of the Bank (either in whole or in part) and/or the Holders of Instruments to the extent (if at all) specified in the relevant Final Terms.
Interest:	Instruments may be interest-bearing or non-interest bearing or a combination of the two. Interest (if any) may accrue at a fixed or floating rate or be index-linked and may vary during the lifetime of the relevant series.
Denominations:	No Instruments may be issued under the Programme which have a minimum denomination of less than EUR50,000 (or nearly equivalent in another currency). Subject thereto, Instruments will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Early Redemption:	Early redemption will be permitted for taxation reasons as mentioned in “Terms and Conditions of the Instruments – Early Redemption for Taxation Reasons”, but will otherwise be permitted only to the extent specified in the relevant Final Terms.
Taxation:	Payments in respect of Instruments will be made without withholding or deduction in respect of any taxes, duties, assessments or governmental charges imposed or levied by or on behalf of the Republic of Finland or any political subdivision thereof or any authority therein or thereof having power to tax, unless required by law. In such event,

	payments by the Bank will, subject to customary exceptions, be increased – see “Terms and Conditions of the Instruments – Taxation”.
Redenomination:	The applicable Final Terms may provide that certain Instruments may be redenominated in euro. The relevant provisions applicable to any such redenomination are contained in Condition 15.
Governing Law:	The Instruments, all related contractual documentation and any non-contractual obligations arising out of or in connection with them will be governed by English law save for the subordination provisions in Condition 3B which are governed by Finnish law.
Terms and Conditions:	The Terms and Conditions applicable to each Series will be as agreed between the Bank and the relevant Dealer prior to the time of issuance of such Series, and will be specified in the relevant Final Terms. The Terms and Conditions applicable to each Series will therefore be those set out on pages 28 to 48 in the Base Prospectus as supplemented, modified or replaced by the relevant Final Terms.
Enforcement of Instruments in Global Form:	In the case of Instruments in global form, individual investors’ rights will be governed by a Deed of Covenant dated 11 November 2009, a copy of which will be available for inspection at the office of the Fiscal Agent for the time being.
Ratings:	Instruments issued under the Programme may be rated or unrated. A rating is not a recommendation to buy, hold or sell securities and may be subject to suspension, or withdrawal at any time.
Clearing Systems:	Euroclear, Clearstream, Luxembourg and any other clearing system as may be specified in the relevant Final Terms.
Selling and Transfer Restrictions:	For a description of certain restrictions on offers, sales and deliveries of Instruments and on the distribution of offering material in the United States of America, the United Kingdom, Japan, the Republic of Finland and the Republic of Italy, see “Subscription and Sale” below. There are restrictions on the transfer of Instruments sold pursuant to Regulation S under the Securities Act prior to the expiration of the relevant distribution compliance period and on the transfer of Instruments sold pursuant to Rule 144A under the Securities Act.

RISK FACTORS

Prospective investors should read the entire Base Prospectus. Words and expressions defined in the “Terms and Conditions of the Instruments” below or elsewhere in this Base Prospectus have the same meanings in this section. Investing in the Instruments involves certain risks. Set forth below are risk factors that the Bank believes are the principal risks involved in an investment in the Instruments. The Bank believes that the following may affect its ability to fulfil its obligations under Instruments issued under the Programme. Prospective investors should consider carefully the following:

Risks Relating to the Operations of Pohjola Bank Group

Business Conditions and General Economy

The profitability of Pohjola Bank’s operations is affected by several factors, the most important being the general economic conditions in Finland or globally, volatility of interest rates, equity prices and exchange rates, and the competitive situation. Factors such as the development of public finances and general price, income and the employment levels as well as the development of companies’ willingness to invest, the savings level of households and development of insurance claims may affect the volume and performance of Pohjola Bank’s business as well as its financial condition. An economic downturn in Finland or globally could adversely affect Pohjola Bank’s business, results of operations and financial condition.

Since the second half of 2007, disruption in the global credit markets, coupled with the repricing of credit risk, created increasingly difficult conditions in the financial markets. These conditions have resulted in historic volatility, less liquidity, widening of credit spreads and a lack of price transparency in certain markets. Most recently, these conditions have resulted in the failures of a number of financial institutions in the United States and unprecedented action by governmental authorities and central banks around the world.

Factors such as the liquidity of the global financial markets, level and volatility of equity prices, exchange rates, commodity prices and interest rates, inflation, and availability and cost of credit could materially affect the activity level of Pohjola Bank’s customers. Significantly higher interest rates could adversely affect the values of balance sheet and off-balance sheet assets of Pohjola Bank by increasing the risk that a greater number of its customers would be unable to meet their obligations. Increasing volatility could also cause losses in Pohjola Bank’s trading portfolios. A market downturn may result in a decline in the volume of transactions that Pohjola Bank executes for its customers and, therefore, lead to a decline in the income it receives from fees and commissions. For example, a higher level of domestic or foreign interest rates or a downturn in the securities markets could affect the flows of assets under management and the fees Pohjola Bank earns for managing assets.

It is difficult to predict how long these conditions will exist and how Pohjola Bank’s business, results of operations and financial condition will be adversely affected. These conditions may lead to growing credit losses as Pohjola Bank’s customers may be unable to meet their payment obligations. It is not known for how long these market conditions will continue or whether they will worsen.

In the opinion of Pohjola Bank’s management, there is currently great uncertainty about economic prospects and the operating environment. The main risks of Pohjola Bank are, in the near future, associated with developments in credit spreads, interest rates, share prices and share price volatility, loan impairments and funding costs, as well as the general operating environment. Pohjola Bank’s management may be able to mitigate such possibly negative effects on investment and trading by carefully selecting investment assets, diversifying risks, promoting Pohjola Bank’s personnel’s professional skills and carrying out risk management effectively. Nevertheless, developments in the general operating environment are generally beyond the control of Pohjola Bank’s management. The continued deterioration and deepening of the economic downturn could have a material adverse effect on Pohjola Bank’s business, results of operations or financial condition.

State Aid and Other Measures

In October 2008, the Finnish government, alongside the other European Union governments, agreed on measures to stabilise the financial industry, firstly, by providing guarantees for banks’ unsecured funding, secondly, by making capital investments in banks and thirdly, by ultimately making support from government funds available to banks.

On 12 December 2008 the Finnish Parliament gave its approval for granting state guarantees (the “**State Guarantee Scheme**”) and on 12 February 2009 and 13 May 2009 the Finnish Council of State

passed regulations on fees to be claimed under the State Guarantee Scheme as well as decisions on the terms and conditions of the guarantees. The aim of the State Guarantee Scheme, which is administered by the State Treasury of the Republic of Finland, is to provide sufficient liquidity to eligible Finnish deposit and mortgage banks and to strengthen their financial resources. On the basis of the proposed scheme, the amount of guarantees that OP-Pohjola Group could be entitled to use, at will, in its funding under the State Guarantee Scheme, totals EUR 10 billion.

The terms and conditions of the guarantees under the State Guarantee Scheme include certain limitations and provisions which may hinder the development of the operations and decrease the incentives for the top management of Pohjola Bank and OP- Pohjola Group Central Cooperative, should Pohjola Bank opt for the support.

For the avoidance of doubt, Instruments which are the subject of this Base Prospectus do not and will not benefit from the State Guarantee Scheme.

A proposal on the Act on State capital investments (*Laki valtion pääomasijoituksista talletuspankkeihin*) was given to the Parliament on 20 February 2009. On the basis of the proposal, the Finnish State could make fixed-term capital investments in the form of interest bearing subordinate loans in eligible Finnish deposit banks. OP-Pohjola Group would, at will, be in a position to make use of state capital investments in the amount of approximately EUR 770 million, of which approximately EUR 260 would be attributable to Pohjola Bank. The subordinate loans would count as Tier 1 capital in Pohjola Bank's capital adequacy calculation. The terms and conditions of the subordinate loans would include certain limitations and provisions which might hinder the development of the operations and decrease incentives for the top management of the Bank receiving the support.

Furthermore, the Finnish government has given a proposal to amend the Act on the Guarantee Fund (*Laki valtion vakuusrahastosta* 30.4.1992/379) and the Act on Credit Institutions (*Laki luottolaitostoiminnasta* 9.2.2007/121), according to which, a deposit bank, e.g. Pohjola Bank, with solvency problems could be obligated to seek support from the state guarantee fund. Should the bank in question fail to submit an application by the deadline set by the Finnish Council of State, the bank's shares and capital loans could be redeemed for full compensation by the state guarantee fund and the bank thus be taken into the possession by the Finnish State.

Credit Risks

The most significant risk for a bank is credit risk. Estimating the potential write-downs in Pohjola Bank's loan portfolio is difficult and depends on many factors, including general economic conditions, credit rating, migration of customers and counterparties, management of credits by customers or changes in their ability to repay loans, the realisation value of collateral positions, structural and technological changes within industries and other external factors such as legal and other regulatory requirements. The objective of credit risk management is to price the customer a specific credit risk and include it in credit margins as well as to minimise it by using collaterals and financial covenants. Estimating and pricing credit risks as well as the realisation value and time of collaterals is, however, uncertain, and therefore the possible write-downs could adversely affect Pohjola Bank's business, results of operations and financial condition. There is no guarantee that loss estimates will reflect actual future losses. If such estimates prove to be inaccurate or inadequate, Pohjola Bank's business, results of operations and financial condition could be adversely affected.

The growth of Pohjola Bank's loan portfolio amounted to 23 per cent. in 2008 compared to 19 per cent. in 2007. However, falling Gross Domestic Product, exports and capital spending are expected to slow down the lending growth as well as to increase corporate payment defaults, bankruptcies, and unemployment and the average margin on corporate loans are expected to rise. Pohjola Bank's loan portfolio growth could also be constrained by, among other factors, Pohjola Bank's ability to increase lending volumes to customers that meet its credit quality standards or reduced access to funding due to slowing economic growth or recession.

Despite of the generation of interest income, the high growth of Pohjola Bank's loan portfolio may also have negative effects. The notable growth of the loan portfolio in the current market environment, and over the past few years, may subsequently result in loan losses as Pohjola Bank's customers may be unable to meet their obligations. If Pohjola Bank is unable to further grow its loan portfolio margin and simultaneously maintain good credit quality, Pohjola Bank may not generate sufficient interest income to offset any increased funding cost or it may suffer credit losses, which could have a material adverse effect on Pohjola Bank's business, results of operations and financial condition.

Pohjola Bank is exposed to the risk that borrowers may not repay their loans according to their contractual terms and that the collateral securing the payment of these loans may be insufficient. Accordingly, Pohjola Bank may experience significant credit losses, which could have a material adverse effect on its profits.

Pohjola Bank regularly reviews and analyses its loan portfolio and credit risks. Corporate payment defaults, doubtful receivables and impairment charges are expected to increase from their 2008 levels but the uncertainty of the speed, magnitude and duration of the downturn make it difficult to estimate the size of the probable increase in future loan losses. Due to the current market situation, it is however likely that Pohjola Bank will encounter an increasing number of non-performing loans. If the level of credit losses and non-performing loans is higher than anticipated, it may have a material adverse effect on Pohjola Bank's business, results of operations and financial condition.

Concentration of credit risk

A majority of the amount of Pohjola Bank's credit, guarantee and other exposure to corporate customers comprises of liabilities that relate to Finnish corporate customers. Pohjola Bank's total exposure also includes relatively large customer-specific credit risk concentrations. Large customer exposures include corporate customers and non-profit customers with regard to which the amount of direct liability exceeds 10 per cent. of Pohjola Group's capital resources. Pohjola Group's capital resources as per the capital adequacy calculation increased from EUR 1,484 million in 2008 to EUR 1,584 million on 30 June 2009, i.e. by 6.7 per cent. in the first half of 2009. As at 30 June 2009, Pohjola Bank's large customer liability consisted of 15 customer groups as compared to 19 groups in 2008. The share of the customer exposure from Pohjola Bank's capital resources accounted for 231 per cent. liability as at 30 June 2009 as compared to 279 per cent. as at 31 December 2008. As at 30 June 2009 a total of 93 per cent. of the large customer liability was investment-grade exposure as compared to 94 per cent. as at 31 December 2008.

In terms of industries concentration, Pohjola Bank's largest exposures as at 30 June 2009 were related to manufacture of machinery and equipment (including services) (11.5 per cent.), renting and operating of own or leased residential estate (10.9 per cent. of which 52 per cent. is guaranteed by the government of Finland or cities and municipalities located in Finland) and wholesale and retail (9.3 per cent.). However, more than by the industry specific concentration, Pohjola Bank's business, results of operations and financial condition may be adversely affected by the geographical risk concentration in Finland. Pohjola Bank's level of credit loss provisions and credit losses may increase if economic conditions in Finland deteriorate further or if large borrowers become unable to perform their obligations. Should such events materialise, it could have a material adverse effect on Pohjola Bank's business, results of operations and financial condition.

Pohjola Bank has also participated in acquisition financing by both industrial and financial buyers (including private equity investors) in relation to several industries in Finland. In some cases Pohjola Bank has been the primary lender but in a number of instances Pohjola Bank has also taken part in financing acquisitions with a smaller share of the total financing, in which cases Pohjola Bank's possibilities to influence the joint decision making of the lenders relating to, among others, actions relating to securing interests of the lenders, and possible reorganisations, are generally limited. In case, for example, companies purchased by financial buyers (including private equity investors), or other companies in whose financing Pohjola Bank has taken part, would be unable to meet their obligations, this could have a material adverse effect on Pohjola Bank's business, results of operations and financial condition.

Price Development in Money, Foreign Exchange and Capital Markets

The most significant market risks Pohjola Bank faces are interest rate, foreign exchange, credit spread risks, credit risk margin, equity price and volatility risks. Changes in interest rate levels, yield curves and credit risk margins may affect Pohjola Bank's business, results of operations and financial condition. Changes in currency rates affect the value of assets and liabilities denominated in foreign currencies as well as Pohjola Bank's earnings and may affect revenues from foreign exchange dealing. The price development of financial markets may cause changes in the value of Pohjola Bank's investment and trading portfolios and in the amount of revenues generated from assets under management. Pohjola Bank complies with market risk management principles and policies, which are confirmed by the Board of Directors. The purpose of the risk management principles and policies is to ensure that Pohjola Bank Group (as defined on page 63) is not exposed to market risks that are excessive in relation to its capital base. However, it is difficult to predict accurately changes in economic or market conditions and the

effects that such changes could have on Pohjola Bank's business and results of operations. If financial markets perform against expectations and/or if prepared estimates and predictions prove to be inaccurate or inadequate, Pohjola Bank's business, results of operations and financial condition could be adversely affected.

In addition to the changes in market prices, the illiquidity of certain markets, such as structured products, private equity or real estate markets, or the decreased liquidity of the financial markets in general can have an effect on Pohjola Bank. Pohjola Bank may either be unable to sell certain assets or it may be required to sell certain assets at a reduced price, which can have a negative impact on Pohjola Bank's business, results of operations and financial condition.

The negative price development of various securities has particularly affected Pohjola Bank's liquidity reserve, the banking trading portfolio within the markets business area and the investment results in the non-life insurance operations. Given the current state of the capital markets there is no certainty that the market risks involved with the current adverse economic and market conditions will not continue to adversely affect Pohjola Bank's business, results of operations and financial condition as described above.

Systemic Risks

Payment defaults, bank runs and other types of financial distress or difficulties in a foreign or domestic bank or other financial institution may lead to a series of liquidity problems, losses and payment and other difficulties in other companies operating in the financial sector, due to the interconnectedness of the domestic and global financial systems and capital markets. If one financial institution experiences difficulties it could have spillover effects on other institutions through, for example, lending, trading, clearing and other linkages between financial institutions. This risk is called a "systemic risk" and it can have a significant negative impact on markets in which Pohjola Bank operates on a daily basis which can, in turn, adversely affect Pohjola Bank's business, results of operations and financial condition.

Liquidity Risk and Availability of Funding

Pohjola Bank as the central bank of OP-Pohjola Group (as defined on page 71) is responsible for the whole OP-Pohjola Group's liquidity and funding from money and capital markets. Liquidity risk means the risk of Pohjola Bank being unable to meet its payment obligations and to refinance its loans when they fall due, and to meet its obligations as a creditor. The risk could materialise, for example, because of a decline in the liquidity of markets or downgrading of Pohjola Bank's credit rating or Pohjola Bank being unable to maintain adequate liquidity. A decline in Pohjola Bank's liquidity or a substantial downgrading of Pohjola Bank's credit rating may adversely affect the availability and price of Pohjola Bank's funding and as a consequence weaken Pohjola Bank's results of operations and financial condition.

Competition

The financial services market remains highly competitive. Innovative competition comes both from established players and a steady stream of new market entrants. The market is expected to remain highly competitive in all of Pohjola Bank's business divisions, which could adversely affect Pohjola Bank's business, results of operations and financial condition.

Capital Adequacy

Pohjola Bank's banking licence is dependent upon, among other things, the fulfilment of capital adequacy requirements in accordance with the applicable regulations. Pohjola Bank's capital structure and capital adequacy ratio may have an effect on Pohjola Bank's credit ratings and the availability and costs of funding operations. Moreover, the absence of a sufficiently strong capital base may constrain Pohjola Bank's growth and strategic options. Significant unforeseen losses may create a situation under which Pohjola Bank is unable to maintain its desired capital structure.

Capital adequacy calculations show the ratio of the Bank's capital in relation to risk-weighted assets. The capital position is affected by, for example, the profit after tax, the distribution of dividend, goodwill, changes in the fair value reserve and insurance company investments. Risk-weighted assets are affected by, for example, the amount of lending and the risk ratings of the loans and other receivables and assets as well as market and operational risks. In the current market environment there is also a significant risk of decreases in credit worthiness for Pohjola Bank's customers which will increase the risk-weighted items under the current Basel II rules. Furthermore, Pohjola Bank's capital adequacy is related to the availability of additional capital in the future.

Pohjola Bank's non-life insurance companies must also fulfil capital adequacy requirements set for non-life insurance companies. If the non-life insurance companies are not be able to fulfil these capital adequacy requirements, Pohjola Bank could be required to capitalise the insurance companies or this could affect Pohjola Bank's growth and attainment of strategic goals.

Negative changes in the capital adequacy position, such as a decrease in equity or an increase in risk-weighted items could have an adverse effect on the availability and cost of Pohjola Bank's funding and, consequentially, have an adverse effect on Pohjola Bank's business, results of operations and financial condition.

Risks Related to Derivatives Positions

Pohjola Bank is engaged in derivatives business both for its customers and for its own account by trading in derivatives instruments, such as forwards, futures, foreign exchange agreements and options. In recent years Pohjola Bank's derivatives business has grown and the variety of derivatives products offered has increased. The value of derivatives contracts depends on changes in the value of the contract's underlying asset, price fluctuations, changes in interest rate levels and credit risk margins, maturity date of the contract or other factors affecting the value of the derivative. Further, a risk related to the derivatives business is that the derivative counterparty has not understood the liabilities created for it by the contract or cannot perform its obligations, that the collateral possibly set by the contract counterparty to Pohjola Bank prove to be inadequate. The operative risks related to the derivatives business include, for example failure in assessing the fair value of the underlying asset or the securities, and the risk that Pohjola Bank is unable to realise the derivative position on favourable terms or at all, due to market conditions. The materialisation of the aforementioned risks could have a material adverse effect on Pohjola Bank's business, results of operations and financial condition.

Risk management has a central role in the derivatives business and Pohjola Bank continuously develops its risk management related to its derivatives business. The growth in derivatives business places increasing demands on risk management. There can be no assurance that Pohjola Bank's risk management is currently, or will be in the future, able to completely manage all risks related to Pohjola Bank's derivatives business, due to, for example, possible inadequacies in systems, methods and procedures or human errors. Despite continuous development of risk management, Pohjola Bank's risk management may be insufficient to effectively manage risks related to a larger volume and more complicated instruments. Should Pohjola Bank's risk management prove to be inadequate, this could have a material adverse effect on Pohjola Bank's business, results of operations and financial condition.

Risk Relating to Joint Liability of the Member Credit Institutions

Under the Cooperative Bank Act, the Central Cooperative, and Pohjola Bank, Helsinki OP Bank plc, OP-Kotipankki Oyj, OP Mortgage Bank and the Member Cooperative Banks together ("**Member Credit Institutions**"), are jointly responsible for such liabilities of the Central Cooperative or of Member Credit Institutions being in liquidation that cannot be met from the funds of the Central Cooperative or such Member Credit Institutions.

If a Member Credit Institution's own funds are depleted by losses so as to fall below the statutory minimum, the Central Cooperative has the right to collect supplementary payments from the other Member Credit Institutions based on the balance sheet total of their most recently confirmed balance sheets.

If the Central Cooperative or the other Member Credit Institutions are unable to meet their liabilities and commitments, Pohjola Bank could be, together with other Member Credit Institutions, obligated to make supplementary payments to cover such obligations. This could have a material adverse effect on Pohjola Bank's business, results of operations and financial condition.

Notwithstanding the joint responsibility between Member Credit Institutions, there is no guarantee in place which directly ensures the repayment of Instruments issued under this Programme. The payment obligations under the Instruments are solely obligations of Pohjola Bank and are not obligations of, and are not guaranteed by, the Central Cooperative.

Strategic Risk

Strategic risk refers to losses incurred as a result of an erroneous business strategy. Strategic risk connected with the central priority and development policy lines for the OP-Pohjola Group's operations is reduced through continuous planning that is based on analyses and forecasts of customers' future needs, the trend in different lines of business and market areas as well as the competitive situation.

Pohjola Bank's strategic goal is to be a integrated financial services group and a market leader in corporate banking, non-life insurance and asset management services in Finland. One of the key priorities of Pohjola Bank's strategy is to further integrate the banking and non-life insurance operations, and to take advantage of its banking and non-life insurance business areas' customer bases to cross-sell products for example through OP-Pohjola Group's extensive branch network in Finland. Although Pohjola Bank has made progress in integrating the banking and non-life insurance businesses, there is no certainty that Pohjola Bank will successfully complete the integration process, or that Pohjola Bank in the future can successfully cross-sell products and services to its customer base.

If Pohjola Bank is unable to successfully execute its strategy, this will have a materially adverse effect on Pohjola Bank's business, results of operations and financial condition. Also, Pohjola Bank's strategy may not be competitive or may be insufficient to meet customer requirements in the future as competition increases and customer offerings develop in the markets internationally. If Pohjola Bank cannot adapt its strategy to meet these requirements, this could have a materially adverse effect on Pohjola Bank's business, results of operations and financial condition.

Risks Relating to Acquisitions

Pohjola Bank may consider strategic acquisitions and partnerships from time to time. There can be no guarantee that Pohjola Bank will be successful in the implementation of plans regarding acquisitions and strategic partnerships or that the acquisitions and the implementation thereof will be materialised according to expectations. Pohjola Bank has to base any assessment with respect to operations, profitability and other matters of potential acquisitions and partnerships on inexact and incomplete information and assumptions that may prove to be incorrect.

Pohjola Bank can give no guarantee that its expectations with regard to integration and synergies will materialise.

Risks Relating to New Operational Areas in the Baltic Countries

Pohjola Bank engages in non-life insurance operations in Estonia, Latvia and Lithuania through its Seesam subsidiaries (the "**Seesam Companies**"). Pohjola Bank also offers finance company services for corporate clients and agricultural professionals in the three Baltic countries but this activity is minimal, amounting to less than 1 per cent. of Pohjola Bank's total corporate exposure.

Even though Pohjola Bank has significant amount of experience in banking and non-life insurance operations in Finland, these fields in the Baltic countries differ from the Finnish market to a significant extent, which translates into additional risks, related to a different operational environment, legislation, administrative differences, workforce regulations and taxation affairs. The economic situation in the Baltic countries is, like in emerging markets as well as in the rest of the world, currently volatile, which results a demanding business environment. Pohjola Bank has endeavoured to research the Baltic banking and insurance markets, both through its own studies and through commissioned market research, but there is no certainty that the financial results from the operations in the Baltic countries will meet the Pohjola Bank's expectations.

In addition, Pohjola Bank is affected by foreign exchange risks due to its Baltic operations as the financing is mainly in local currencies. For example, a possible devaluation of the Baltic currencies would have an adverse effect on Pohjola Bank's financial condition. The failure of operations in the Baltic area could have an adverse effect on Pohjola Bank's business, results of operations and financial condition.

Credit Risk Relating to the Bank

Holders of the Instruments take a credit risk on the Bank. A holder's ability to receive payment under the Instruments is dependent on the Bank's ability to fulfil its payment obligations, which is in turn dependent upon the development of the Bank's business.

Regulatory Compliance and Legal Risks

Pohjola Bank operates within a highly regulated industry and its activities are subject to extensive supervisory and regulatory regimes including, in particular, regulation in Finland and in the European Union. Pohjola Bank must meet the requirements set forth in the regulations regarding, *inter alia*, minimum capital and capital adequacy, reporting with respect to financial information and financial condition, liabilities and payment of dividends as well as regulations regarding the amalgamation (described on page 64).

One or more supervisory authorities may apply or execute the applicable regulations. Authorities may question Pohjola Bank's activities in accordance with the applicable regulations with regard to one or more regulations. If it is found that Pohjola Bank breaches the regulations or fails to comply with them, the non-compliance could lead to fines, public reprimands, and other consequences causing damage to Pohjola Bank's reputation, enforced suspension of operations or, in extreme cases, amendment to or withdrawal of authorisation to operate. Pohjola Bank may also be liable for damages caused by the activities of Pohjola Bank.

The regulation of the financing and the investment service industry has been subject to major changes in Finland, in the European Union and internationally, and not all effects of the reforms nor their implementation are yet known.

Other areas where changes could have an impact include, *inter alia*:

- monetary policy, interest rate and other policies of central banks and regulatory authorities;
- general changes in government or regulatory policy that may significantly influence investors' decisions to invest in particular markets in which Pohjola Bank operates;
- general changes in the regulatory requirements, for example, rules relating to the capital adequacy framework;
- changes in competitive and pricing environments; and
- changes in the financial reporting environment.

Pohjola Bank might face material adverse consequences if contractual obligations were not enforceable as intended or they were enforced against Pohjola Bank in an adverse manner or Pohjola Bank's intellectual property rights or systems material to Pohjola Bank's operations were not adequately protected or in operating order.

In addition, changes in legislation, regulations and procedures of the authorities as well as court decisions could adversely affect the business, results of operations and financial condition as well as the trading price of the shares of Pohjola Bank.

Legal and Litigation Risks

Pohjola Bank's customers' or counterparties' claims against Pohjola Bank may result in legal procedures. These risks include, among other, potential liability for the sale of unsuitable products to its customers (mis-selling) or managing customer portfolios against customer instructions due to, for example, human error or negligence, as well as potential liability for the advice that Pohjola Bank provides to participants in securities transactions, or liability under securities or other laws in connection with securities offerings. Should Pohjola Bank be found having breached its obligations, it may be obligated to pay damages. Such potential litigation could also have a negative impact on Pohjola Bank's reputation among its customers and counterparties. Furthermore, Pohjola Bank may face material adverse consequences if contractual obligations were not enforceable as intended or they were enforced in a manner adverse to Pohjola Bank or in case it would become apparent that Pohjola Bank's intellectual property rights or systems were not adequately protected or in operating condition.

The materialisation of any legal risks such as described above or any potential damages to be paid by Pohjola Bank or the loss of its reputation may be substantial and could have an adverse effect on Pohjola Bank's business, results of operations and financial condition.

Tax Risks

Tax risk refers to the risk associated with changes in, or errors in the interpretation of, taxation rates or law. This could result in increased charges or financial loss. Although Pohjola Bank devotes considerable resources to managing tax risk, a failure to manage this risk could adversely affect Pohjola Bank's business, results of operations and financial condition.

Risk management

Pohjola Bank's risk and capital adequacy management is based on the same values as well as strategic and economic goals as Pohjola Bank's other operations and business. A key objective of Pohjola Bank's risk management is to identify the threats and opportunities that various risks entail and that may have an effect on the business, result of operations or financial position of Pohjola Bank and to supervise that the risks undertaken remain in a healthy proportion compared to Pohjola Bank's capacity to withstand the risks and that the risk-reward is appropriate.

Pohjola Bank also attempts to identify and manage operational risks. However, losses could arise for example from inadequate internal processes, fraud, errors by employees, failure to properly document transactions, failure to comply with regulatory requirements and conduct of business rules, equipment failures or malfunctions within Pohjola Bank's own systems or the systems of its suppliers or cooperation partners or within other external systems, such as the systems of finance authorities or securities exchanges, as well as from natural disasters. The occurrence of any of these risks could adversely affect Pohjola Bank's business, results of operations and financial condition.

Even though the personnel follows the guidelines issued on risk management and implements measures which mitigate losses, there can be no certainty that these measures would be fully adequate to manage and control risks cannot be guaranteed. Some of the qualitative tools and metrics used by Pohjola Bank for risk management purposes are based upon the use of observed historical market behaviour as well as future predictions. These tools and metrics may fail to predict or predict incorrectly future risk exposures which could lead to losses for Pohjola Bank. Factors described above or any other failure in risk management could cause substantial losses and adversely affect Pohjola Bank's business, results of operations and financial condition.

Operational Risks

Operational risk refers to the risk that the operations create: a risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk, which includes legal risk but excludes strategic risk, may also lead to loss of reputation.

Managing operational risks aims at reducing the probability of losses that are attributable to personnel, operational processes or systems, or external factors. In managing operational risks, a professionally skilled and well-trained staff, modern tools, comprehensive operational guidelines and efficient monitoring occupy a centrally important position.

In accordance with the OP-Pohjola Group's structure and division of labour the OP-Pohjola Group Central Cooperative plays a key role, especially in respect of risks connected with the centralised provision of services and operation of the information systems.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that either Pohjola Bank or Pohjola Bank Group will be unable to comply with its obligations as a company with securities admitted to the Official List of the UKLA.

System and Information Security Risks

Pohjola Bank's daily operations involve a large number of transactions, many of which are highly complex and which rely on the secure processing, storage and transfer of confidential and other information in Pohjola Bank's IT systems and information networks. Even though Pohjola Bank utilises protective systems, Pohjola Bank's IT system, equipment and network may be susceptible to unauthorised use, computer viruses and other harmful factors.

Furthermore, Pohjola Bank's operations depend on confidential and secure data processing. As part of its business operations, Pohjola Bank stores personal and banking and insurance specific information provided by its customers which in Finland are subject to certain regulations concerning privacy protection and banking secrecy. Pohjola Bank may accrue substantial costs in case information security risks materialise. Solving the problems may cause interruptions or delays in Pohjola Bank's customer service, which could have an adverse effect on Pohjola Bank's reputation and prompt customers to abandon Pohjola Bank's services or to present Pohjola Bank with claims for compensation. Furthermore, if Pohjola Bank fails to effectively implement new IT systems or to adapt to new technological developments, it may incur substantial additional expenses or be unable to compete successfully in the market. Any one of the aforementioned factors could have an adverse effect on Pohjola Bank's business, results of operations or financial condition.

Furthermore, Pohjola Bank relies to a considerable extent on its parent organisation, the Central Cooperative, with regards to maintaining IT systems and providing IT services. Even though Pohjola Bank has sought to secure the provision of IT services that are critical to its operations by contractual arrangements, and by also using alternative service providers with regard to certain IT service elements, the failure of the Central Cooperative to maintain IT systems or deliver agreed services as Pohjola Bank requires would have a material adverse effect on Pohjola Bank's business.

Possible Interruptions to Pohjola Bank's Business Operations

Pohjola Bank's business may be in danger of being interrupted due to sudden and unforeseeable events, such as disruptions to the distribution of power and data communications or water and fire damage. Pohjola Bank may not be able to control such events within the scope of its present business continuity plans which may cause interruptions to business operations. Unforeseen events can also lead to additional operating costs, such as renovation and repairing costs, damages claims from customers affected by these events, higher insurance premiums and the need for redundant back-up systems. Insurance coverage for certain unforeseen risks may also be unavailable, and thus increase the risk for Pohjola Bank. Pohjola Bank's inability to effectively manage these risks could have a material adverse effect on Pohjola Bank's business, results of operations or financial condition.

Risks Relating to the Outflow of Assets under Management

Should the current financial situation lead to a significant outflow of assets under management by Pohjola Asset Management or if the investments of Pohjola Asset Management develop in an unsatisfactory manner, the current customers could choose to decrease, withdraw or transfer their assets to another asset manager. The poor success in the investment operations could thus decrease the amount of fees and commissions of Pohjola Asset Management. Furthermore, if Pohjola Asset Management could not continue to provide satisfactory asset management services, it might not be able to attract new customers or increase the amount of the current customers' assets under management. Therefore, should Pohjola Asset Management not succeed in its investment operations, this could have a negative impact on Pohjola Bank's business, results of operations and financial condition.

Risks Relating to Brand, Reputation of Pohjola Bank and Market Rumours

Among other factors, Pohjola Bank relies on its well-known and good brand and reputation in Finland when competing for customers. During the current turbulent market environment, having a good reputation is of particular importance both in the banking, asset management and the insurance sector as financial institutions are particularly impacted by rumours and speculation regarding their solvency and their ability to access liquidity. Pohjola Bank can to a certain extent influence its own reputation. However, the brand and reputation of the Pohjola Bank can also be affected by other external factors outside the control of Pohjola Bank. Although Pohjola Bank has not experienced deposit or customer outflows as a result of any such rumours, there can be no certainty that any rumours or speculation, whether founded or not, would not have such an impact in the future.

Possible future decisions by Pohjola Bank concerning its operations and the selection of services and products it offers may have a negative effect on the Pohjola brand. Furthermore, if global economic conditions continue to weaken and continue to particularly impact the financial services sector, Pohjola Bank may suffer from rumours and speculation regarding, among other things, its solvency and liquidity situation. Negative developments in the Pohjola Bank's reputation and brand as well as negative views of consumers concerning Pohjola Bank's products and services or market rumours concerning Pohjola Bank may have an adverse effect on Pohjola Bank's business, results of operations and financial condition.

Risks Relating to the Insurance Industry

When Pohjola Insurance Ltd became a part of Pohjola Bank Group, Pohjola Bank Group became subject to the specific risks of the insurance industry, which risks affect Pohjola Bank Group's business, results of operations and financial condition.

Insurance Industry is Subject to Comprehensive Regulation

The current business of Pohjola Insurance Ltd is subject to comprehensive regulation. Examples of the regulated issues are:

- acquisition or disposition of an insurance company or of any company controlling an insurance company;
- approval or filing of policy forms;
- limitations on types and amounts of investments;
- limitations on the right to cancel or renew policies;
- the right to withdraw from markets or terminate involvement with agents;
- licensing of insurers and agents; and
- transactions between an insurance company and any of its affiliates.

In addition, regulators perform periodic financial and market conduct examinations of insurance companies. The regulation is generally intended for the protection of policyholders rather than

shareholders. There is no guarantee that existing insurance-related laws and regulations will not become more restrictive in the future or that new restrictive laws will not be enacted and, therefore, it is not possible to predict the potential effects of such laws and regulations.

Intense Competition Could Adversely Affect the Business and its Profitability

The insurance industry is highly competitive and Pohjola Insurance Ltd will continue to face significant competition from the domestic and foreign insurance companies. The competition between the companies is measured based on many factors, including, for example credit ratings, financial strength, reputation, service to policyholders and agents, product development (including interest rates credited and premium rates charged) and commissions. Changes in the competitive situation could have a material adverse effect on Pohjola's business and result of operations.

Investment Risks and Actuarial Risk in the Insurance Business

The OP-Pohjola Group's life and pension insurance business is centralised within OP Life Assurance Company Ltd and the OP-Pohjola Group's non life business is centralised within Pohjola Insurance Ltd. The executive board of each of the above-mentioned companies confirms for such company an annual risk management plan setting out such company's targets for its risk-bearing capacity and limiting the assumption of risk. Each year such company's executive board confirms an investment plan that sets out such company's position regarding the long-term objectives and principles of investment activities and defines the annual basic allocations of investment assets and allocation limits of variation for them as well as other investment limits.

Non-life insurance business increases the income volatility of the OP-Pohjola Group due to randomness of the damage claims of non life insurance business. The market risks of the investments of the insurance companies reflect mainly to the fair value reserves in Tier II capital.

Risks Pertaining to the Selection and Pricing of Insurance Risks

Pohjola Bank's non-life insurance products offered to customers include, for example, private and corporate customers' property insurance, motor vehicle insurance, motor third-party liability insurance, mandatory workers compensation insurance, travel insurances and accident and health insurances to both private and corporate customers. Selecting and pricing any particular type of insurance is largely based on the historical claims statistics for each type of insurance product. Therefore, there cannot be full certainty of the insurance products' correct pricing at the moment of sale as compared to their subsequent actual claims development.

Pohjola Bank seeks to limit concentration risk of its insurance policies by both insurance type specific and risk concentration specific limitations. Pohjola Bank also aims at limiting risks by focusing on including appropriate terms and conditions in its insurance policy contracts. The most significant pricing risks are related to the adequacy of the risk premiums included in the pricing models of Pohjola Bank's insurance products. It is also of great importance how effectively profitability and reported claims are monitored. Furthermore, pricing risks are connected to how well profitability and reported claims can be taken into account in the pricing of insurance policies and the selection and pricing of underwriting risks. Nonetheless, there is no certainty that risks can be assessed correctly and that the insurance premiums would be sufficient to cover the payment of claims and operating expenses resulting from insurance contracts. A failure in risk selection and pricing could cause substantial financial losses and have an adverse effect on Pohjola Bank's business, results of operations and financial condition.

The Adequacy of Insurance Technical Reserves

It is attempted to define insurance technical reserves in a safeguarding manner so that they are likely to be sufficient to cover projected future payments arising from claims related to sold insurance policies. Cash paid out in Pohjola Bank's underwriting operations primarily relate to the payment of claims and the cost from processing these claims. Projecting insurance technical reserves always involves several elements of uncertainty around the incidental nature of claims development, the delay in uncovering damage or loss, cost-induced inflation or legislative amendments and the general economic development. The uncertainty related to the adequacy of the insurance technical reserves is greater in relation to new types of insurance products, for which extensive statistics on damages paid do not yet exist, and to insurance products in connection to which either uncovering of damage is slow or terms of insurance are long.

Should the reserves prove to be inadequate so that the reserves would have to be increased, this would have an adverse effect on the profitability of the non-life insurance operations, which in turn could have an adverse effect on Pohjola Bank's business, results of operations and financial condition.

Adequacy of Reinsurance Coverage

Pohjola Bank reinsures risks exceeding a certain limit, for which it cannot take or prefers not to take sole liability, in order to decrease risks or improve profitability. The purpose of reinsurance is to reduce the chance variation of claims incurred and increase the efficiency of capital expenditure. Only companies with adequate credit ratings are approved as reinsurers and maximum limits of risk carried by each insurer have been determined established per insurer. Nonetheless, there is no certainty that the need for reinsurance and its optimisation on the basis of statistical methods and models has been determined in an adequate manner. Nor is there any certainty that one or more reinsurers will be able to fulfil their undertakings in all circumstances. Inadequate reinsurance coverage may have adverse effects on the results and financial condition of the insurance operations, which could, consequently, have an adverse effect on Pohjola Bank's business, results of operations and financial condition.

Non-diversifiable Insurance Risks

Pohjola Bank's insurance portfolio comprises a very large number of non-life insurance policies covering damage or loss, due to which also a large number of claims is expected to be reported. According to the law of large numbers in probability theory, the numerical relative variation in the occurrence of certain events decreases when the number of said events increases. This theory is related to diversifiable insurance risks; provided that the damages or losses taking place are completely independent of each other, the numerical relative variation of the damages claims will in general decrease when the number of insurance risks in the insurance portfolio increases.

The insurance risks are, however, typically not fully independent of each other, meaning that the insurance portfolio always involves an element of non-diversifiable residual risk. The non-diversifiable risks usually involve changes taking place in the external operating environment and for example include changes in the economic environment or natural disasters, such as large-scale storms affecting the whole of Finland. Non-diversifiable risks can furthermore involve a yet unidentified, latent risk of damage, which pertains to a large number of insurance contracts. Non-diversifiable risks can be described as the biggest insurance risks in monetary value for Pohjola Bank's operations, yet having the lowest probability of occurrence. A materialisation of these risks would result in Pohjola Bank incurring higher-than-anticipated losses which would have a material adverse effect on Pohjola Bank's business, results of operations and financial condition.

Insurance Industry is Sensitive to Economic Fluctuations

The insurance industry, and particularly the non-life insurance market, is cyclical. Historically, operating results of insurance companies have fluctuated significantly because of unstable and sometimes unpredictable developments, many of which are beyond the direct control of insurance companies. These developments include, *inter alia*:

- price competition and price setting mechanisms;
- frequency of occurrence or severity of both natural and man-made catastrophic events;
- level of demand;
- general economic conditions; and
- changes in legislation, legal precedents and interpretations.

Possible effects of economic fluctuations may have a material adverse effect on Pohjola Insurance Ltd's business, results of operations or financial condition.

Catastrophic Events, Both Natural and Man-made, May Cause Major Losses

A catastrophic event or multiple catastrophic events may cause major losses and may have a material adverse effect on the business, results of operations or financial condition of Pohjola Insurance Ltd. Examples of possible natural catastrophic events include, *inter alia*, windstorms, hurricanes, floods, other severe conditions and fires. Catastrophic events are inherently unpredictable in terms of both their occurrence and severity.

Pohjola Insurance Ltd is also exposed to man-made catastrophic events which may have a material adverse effect on its business, results of operations and financial condition. It is possible that both the frequency and severity of man-made catastrophic events will increase in the future.

Claims from natural or man-made catastrophic events may cause substantial periodic volatility in Pohjola Insurance Ltd's financial results and adversely affect its business, results of operations or financial condition. Pohjola Insurance Ltd's ability to expand its business could also be impacted. Increases in the value and geographic concentration of insured properties and the effects of inflation may increase the magnitude of claims from catastrophic events.

The extent of an insurance company's losses from catastrophic occurrences is a function of the total insured amount of losses its clients incur, the number of its clients affected, and the frequency and severity of the events. In addition, depending on the nature of the loss, the speed with which claims are made and settled, and the terms of the policies affected, an insurance company may be required to make large payments upon short notice. Pohjola Insurance Ltd may be forced to fund these obligations by liquidating investments rapidly and in unfavourable market conditions, or by raising funds at unfavourable costs, both of which could adversely affect the results of operations and financial condition of Pohjola Insurance Ltd.

Pohjola Insurance Ltd decides on the reinsurance principles and on the amount of risk to be retained for own account. The level of reinsurance protection has an impact on the need for solvency capital. Only companies with a sufficiently high insurance financial strength rating are accepted as reinsurers. Moreover, Pohjola Insurance Ltd has confirmed maximum limits for the amounts of risk that can be ceded to one reinsurer. The limit depends on the nature of the risk involved and on the company's financial standing. Pohjola Insurance Ltd's reinsurance agreements have mainly been placed with companies who are rated at least 'A' by Standard & Poor's. The reinsurance of non-life insurance has been arranged on a centralised basis. Retention in risk-specific reinsurance is generally a maximum of EUR 5 million. In addition, Pohjola Insurance Ltd has taken out reinsurance protection against catastrophe accumulation claims. Under this reinsurance cover, retention is EUR 5 million for any one loss event up to EUR 80 million (since 1 January 2006).

One may seek protection against catastrophic losses through reinsurance, but risks may be related to the coverage, availability and price of reinsurance. These risks may adversely affect the results of operations and financial condition of Pohjola Insurance Ltd.

Turbulence in the global economy and financial markets may have an adverse impact on the reinsurance industry. This could cause financial and liquidity problems for the reinsurance companies included in Pohjola Insurance Ltd's reinsurance programme. In the case of a major claim a specific reinsurance company may not be able to fulfil its obligations, which in turn may have a material adverse effect on Pohjola Insurance Ltd's business, results of operations and financial condition.

Although it is possible to seek protection against catastrophic losses through internal practices and principles, reinsurance and the monitoring of risk accumulations, the measures Pohjola Insurance Ltd takes may not necessarily prevent such occurrences from adversely affecting its business, results of operations or financial condition.

Terrorist Attacks or National Security Threats May Have an Adverse Effect on Pohjola Insurance Ltd

Threats of terrorist attacks, national security threats, military initiatives and political unrest in, *inter alia*, Iraq, Afghanistan and the Middle East, have had and may continue to have a material adverse effect on general economic, market and political conditions, increasing many of the risks relating to the business of an insurance company. The Bank cannot predict the effects of terrorist attacks, threats to national security, military initiatives and political unrest on Pohjola Insurance Ltd's business, results of operations and financial condition.

Risk Factors Involved with OP-Pohjola Group's business

The Central Cooperative issues for the OP-Pohjola Group instructions for safeguarding risk management and oversees that they operate in accordance with the regulatory regime, their own rules and statutes, the instructions issued by the Central Cooperative as well as the procedures that are appropriate for each customer relationship. The Central Cooperative is also responsible for the Internal Capital Adequacy Assessment Process (ICAAP) for the OP-Pohjola Group. The Central Cooperative is responsible for the internal control and risk management at the OP-Pohjola Group level as well as for the OP-Pohjola Group's risk management system's adequacy.

Credit Risks

Credit risk being the main risk in retail banking, the OP-Pohjola Group pays particular attention to developing the way that the Member Cooperative Banks manage and monitor it. Credit risk means risk arising from the inability of the bank's contracting parties to meet their obligations in cases where the collateral does not protect the bank's receivables. The purpose of credit risk management is to reduce the probability of loan losses before a credit decision is taken and, on the other hand, to limit and prevent the risks connected with existing credit decisions from materialising.

The starting point for credit risk management and the strength of the Member Cooperative Banks is their local and thorough understanding of customers. Lending takes place primarily on the basis of

the customer's sufficient and verified debt servicing ability. In order to ensure the repayment of commitments, as a rule the customer's liabilities must be secured by collateral. For the largest corporate customers, the sufficiency of collateral is also supplemented by covenants that safeguard the Member Cooperative Banks exposure. Credit granting authorisations within the OP-Pohjola Group are confirmed to correspond to the extent and nature of each Member Cooperative Bank and business unit.

Within the OP-Pohjola Group's banks, foreign risk is centralised to Pohjola Bank. Pohjola Bank's Board of Directors confirms the Bank's country limits, which are based on international credit ratings and the Bank's own analyses of the economic and political situation in different countries. In addition, the OP-Pohjola Group's insurance and pension companies take on foreign risk within the framework of their investment plans.

To cover their loan books and bank guarantees, the Member Cooperative Banks have loan portfolio insurance with the OP Bank Group Mutual Insurance Company. Insurance decisions are taken separately in respect of loans in excess of EUR 0.35 million or which are more than 10 per cent. of the Member Cooperative Banks own funds. The commitments for a customer entity can be rejected outside the scope of the insurance if the risks associated with debt servicing ability or collateral are excessively large.

Risk Relating to the Instruments

There May not be an Active Trading Market for the Instruments

The Instruments are new securities which may not be widely distributed and for which there may not be an active trading market. If the Instruments are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Bank. Although applications may be made for the Instruments to be admitted to the Official List of the UKLA and traded on the regulated market of the London Stock Exchange, there is no assurance that such applications will be accepted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Instruments.

The Instruments May be Redeemed Prior to Maturity

In the event that Pohjola would be obliged to increase the amounts payable in respect of any Instruments due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Finland or any political subdivision thereof or any authority therein or thereof having power to tax, Pohjola may redeem all outstanding Instruments in accordance with the Conditions.

In addition, if in the case of any particular Tranche of Instruments the relevant Final Terms specifies that the Instruments are redeemable at Pohjola's option in certain other circumstances the Bank may choose to redeem the Instruments at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Instruments.

As the Global Instruments are Held by or on Behalf of Euroclear and Clearstream, Luxembourg, Investors Will Have to Rely on the Procedures of Euroclear and Clearstream, Luxembourg for Transfer, Payment and Communication with the Bank

The Instruments will be represented by the Global Instruments except in certain limited circumstances described in the Permanent Global Instrument. The Global Instruments will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Except in certain limited circumstances described in the Permanent Global Instrument, investors will not be entitled to receive definitive Instruments. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Instruments. While the Instruments are represented by the Global Instruments, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

The Issuer will discharge its payment obligations under the Instruments by making payments to the common depository for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Instrument must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Instruments. Pohjola has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Instruments.

Holders of beneficial interests in the Global Instruments will not have a direct right to vote in respect of the Instruments. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Instruments will not have a direct right under the Global Instruments to take enforcement action against Pohjola in the event of a default under the Instruments but will have to rely upon their rights under the Deed of Covenant.

Modification and Waiver

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

Change of Law

The conditions of the Instruments are based on the laws of England in effect as at the date of issue of the relevant Instruments. No assurance can be given as to the impact of any possible judicial decision or change to the laws of England, or administrative practice after the date of this Base Prospectus.

Furthermore, Pohjola operates in a heavily regulated environment and has to comply with extensive regulations in the Republic of Finland and elsewhere. No assurance can be given as to the impact of any possible judicial decision or change to laws or administrative practices after the date of this Base Prospectus.

Denominations

In relation to any issue of Instruments which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Instruments may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of the minimum Specified Denomination (or its equivalent). In such a case a Holder of Instruments who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination may not receive a Definitive Instrument in respect of such holding (should Definitive Instruments be printed) and may need to purchase a principal amount of Instruments such that its holding amounts to the minimum Specified Denomination.

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

Index-linked Instruments

The Issuer may issue Instruments with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a “**Relevant Factor**”).

Potential investors should be aware that:

- the market price of such Instruments may be very volatile;
- they may receive no interest;
- payment of principal or interest may occur at a different time than expected;
- they may lose all or a substantial portion of their principal;
- a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- if a Relevant Factor is applied to Instruments in conjunction with a multiplier greater than one or that contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable is likely to be magnified; and
- the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

Subordinated Instruments are subordinated to most of the Bank's liabilities

If in the case of any particular Tranche of Instruments the Final Terms provides that the Instruments are subordinated obligations of the Bank and the Bank is declared bankrupt and a winding

up is initiated, it will be required to pay the holders of senior debt and meet its obligations to all its depositors and other creditors (including unsecured creditors but excluding any obligations in respect of subordinated debt) in full before it can make any payments on the relevant Instruments. If this occurs, Pohjola may not have enough assets remaining after these payments to pay amounts due under the relevant Instruments.

Risks Related to the Market Generally

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

The Secondary Market Generally

Instruments may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Instruments easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Exchange Rate Risks and Exchange Controls

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

Government and monetary authorities may impose exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Instruments. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors which may affect the value of the Instruments. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Factors which are Material for the Purpose of Assessing the Market Risks Associated with the Instruments

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

- have sufficient knowledge and experience to make a meaningful evaluation of the Instruments, the merits and risks of investing in the Instruments and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Instruments and the impact the Instruments will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Instruments, including where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Instruments and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

FINAL TERMS AND DRAWDOWN PROSPECTUSES

In this section the expression “necessary information” means, in relation to any Tranche of Instruments, the information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Bank and of the rights attaching to the Instruments. In relation to the different types of Instruments which may be issued under the Programme the Bank has endeavoured to include in this Base Prospectus all of the necessary information except for information relating to the Instruments which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Instruments.

Any information relating to the Instruments which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Instruments will be contained either in the relevant Final Terms or in a Drawdown Prospectus. Such information will be contained in the relevant Final Terms unless any of such information constitutes a significant new factor relating to the information contained in this Base Prospectus in which case such information, together with all of the other necessary information in relation to the relevant series of Instruments, may be contained in a Drawdown Prospectus.

For a Tranche of Instruments which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, supplement this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Instruments which is the subject of Final Terms are the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Instruments which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Instruments which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the Bank and the relevant Instruments or (2) by a registration document (the “**Registration Document**”) containing the necessary information relating to the Bank, a securities note (the “**Securities Note**”) containing the necessary information relating to the relevant Instruments and, if necessary, a summary note. In addition, if the Drawdown Prospectus is constituted by a Registration Document and a Securities Note, any significant new factor, material mistake or inaccuracy relating to the information included in the Registration Document which arises or is noted between the date of the Registration Document and the date of the Securities Note which is capable of affecting the assessment of the relevant Instruments will be included in the Securities Note.

FORMS OF THE BEARER INSTRUMENTS

Each Tranche of bearer Instruments will initially be in the form of either a temporary global Instrument (the “**Temporary Global Instrument**”), without interest coupons, or a permanent global Instrument (the “**Permanent Global Instrument**”), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Instrument or, as the case may be, Permanent Global Instrument (each a “**Global Instrument**”) which is not intended to be issued in new global instrument (“**NGI**”) form, as specified in the relevant Final Terms, will be deposited on or around the Issue Date of the relevant Tranche of the Instruments with a depository or a common depository for Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking, société anonyme, Luxembourg (“**Clearstream, Luxembourg**”) and/or any other relevant clearing system and each Global Instrument which is intended to be issued in NGI form, as specified in the relevant Final Terms, will be deposited on or around the Issue Date of the relevant Tranche of the Instruments with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

Temporary Global Instrument exchangeable for Permanent Global Instrument

If the relevant Final Terms specifies the form of Instruments as being “Temporary Global Instrument exchangeable for a Permanent Global Instrument”, then the Instruments will initially be in the form of a Temporary Global Instrument which will be exchangeable, in whole or in part, for interests in a Permanent Global Instrument, without interest coupons, not earlier than 40 days after the Issue Date of the relevant Tranche of the Instruments upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Instrument unless exchange for interests in the Permanent Global Instrument is improperly withheld or refused. In addition, interest payments in respect of the Instruments cannot be collected without such certification of non-U.S. beneficial ownership.

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

- (i) presentation and (in the case of final exchange) surrender of the Temporary Global Instrument to or to the order of the Fiscal Agent; and
- (ii) receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership, within 7 days of the bearer requesting such exchange.

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

The Permanent Global Instrument will be exchangeable in whole, but not in part, for Instruments in definitive form (“**Definitive Instruments**”) if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 7 (*Events of Default*) occurs.

Whenever the Permanent Global Instrument is to be exchanged for Definitive Instruments, the Bank shall procure the prompt delivery (free of charge to the bearer) of such Definitive Instruments, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Instrument to the bearer of the Permanent Global Instrument against the surrender of the Permanent Global Instrument to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

Temporary Global Instrument exchangeable for Definitive Instruments

If the relevant Final Terms specifies the form of Instruments as being “Temporary Global Instrument exchangeable for Definitive Instruments” then the Instruments will initially be in the form of a Temporary Global Instrument which will be exchangeable, in whole or in part, for Definitive Instruments not earlier than 40 days after the Issue Date of the relevant Tranche of the Instruments upon certification as to non-U.S. beneficial ownership if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the

circumstances described in Condition 7 (*Events of Default*) occurs. Interest payments in respect of the Instruments cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Instrument is to be exchanged for Definitive Instruments, the Bank shall procure the prompt delivery (free of charge to the bearer) of such Definitive Instruments, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Instrument to the bearer of the Temporary Global Instrument against the surrender of the Temporary Global Instrument to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange

Permanent Global Instrument exchangeable for Definitive Instruments

If the relevant Final Terms specifies the form of Instruments as being “Permanent Global Instrument exchangeable for Definitive Instruments”, then the Instruments will initially be in the form of a Permanent Global Instrument which will be exchangeable in whole, but not in part, for Definitive Instruments if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 7 (*Events of Default*) occurs.

Whenever the Permanent Global Instrument is to be exchanged for Definitive Instruments, the Bank shall procure the prompt delivery (free of charge to the bearer) of such Definitive Instruments, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Instrument to the bearer of the Permanent Global Instrument against the surrender of the Permanent Global Instrument to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

Terms and Conditions applicable to the Instruments

The terms and conditions applicable to any Definitive Instrument will be endorsed on that Instrument and will consist of the terms and conditions set out under “Terms and Conditions of the Instruments” below and the provisions of the relevant Final Terms which supplement, amend and/or replace those terms and conditions.

The terms and conditions applicable to any Instrument in global form will differ from those terms and conditions which would apply to the Instrument were it in definitive form to the extent described under “Summary of Provisions Relating to the Instruments while in Global Form” below.

Legend concerning United States persons

In the case of any Tranche of Instruments having a maturity of more than 365 days, the Instruments in global form, the Instruments in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

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

TERMS AND CONDITIONS OF THE INSTRUMENTS

The following is the text of the terms and conditions which, as supplemented, amended and/or replaced by the relevant Final Terms, will be endorsed on each Instrument in definitive form issued under the Programme. The terms and conditions applicable to any Instrument in global form will differ from those terms and conditions which would apply to the Instrument were it in definitive form to the extent described under "Summary of Provisions Relating to the Instruments while in Global Form" below.

The Instruments are issued in accordance with an amended and restated fiscal agency agreement (the "**Fiscal Agency Agreement**", which expression shall include any amendments or supplements thereto) dated 11 November 2009 and made between Pohjola Bank plc (the "**Bank**"), Deutsche Bank AG, London Branch in its capacity as fiscal agent (the "**Fiscal Agent**", which expression shall include any successor to Deutsche Bank AG, London Branch in its capacity as such), Deutsche Bank Trust Company Americas, New York office, in its capacity as principal registrar (the "**Principal Registrar**", which expression shall include any successor to Deutsche Bank Trust Company Americas, New York office, in its capacity as such), Deutsche Bank Luxembourg S.A. as first alternative registrar (the "**First Alternative Registrar**", which expression shall include any successor to Deutsche Bank Luxembourg S.A. in its capacity as such) and certain other financial institutions named therein in their capacities as paying agents (the "**Paying Agents**", which expression shall include the Fiscal Agent and any substitute or additional paying agents appointed in accordance with the Fiscal Agency Agreement). Copies of the Fiscal Agency Agreement and the deed of covenant dated 11 November 2009 (the "**Deed of Covenant**") are available for inspection at the specified office of each of the Paying Agents, the Principal Registrar and the First Alternative Registrar. All persons from time to time entitled to the benefit of obligations under any Instruments shall be deemed to have notice of and to be bound by all of the provisions of the Fiscal Agency Agreement insofar as they relate to the relevant Instruments.

The Instruments are issued in a series (each a "**Series**"). Each Series may comprise one or more tranches (each a "**Tranche**") of Instruments. Each Tranche will be the subject of final terms (each a "**Final Terms**") a copy of which will be available for inspection at the specified office of each of the Fiscal Agent or, as the case may be, the Principal Registrar or the First Alternative Registrar and a copy of which will, in the case of a Tranche which application has been made for admission to the Official List of the UK Listing Authority (the "**UKLA**") and for admission to trading on the regulated market of the London Stock Exchange plc (the "**London Stock Exchange**"), be lodged with the UKLA and the London Stock Exchange.

1. Form and Denomination

1.01 Instruments are issued in bearer form or in registered form, as specified in the relevant Final Terms.

1.02 Interest-bearing Definitive Instruments will, unless otherwise specified in the relevant Final Terms, have attached thereto at the time of their initial delivery coupons ("**Coupons**"), presentation of which will be a prerequisite to the payment of interest in certain circumstances specified below.

Form of Registered Instruments

1.03 Instruments issued in registered form ("**Registered Instruments**") will be in substantially the form (subject to amendment and completion) scheduled to the Fiscal Agency Agreement. Registered Instruments will not be exchangeable for Bearer Instruments.

Denomination of Bearer Instruments

1.04 Bearer Instruments will be in the denomination or denominations specified in the relevant Final Terms (the "**Specified Denominations**"). Bearer Instruments of one denomination will not be exchangeable after their initial delivery for Bearer Instruments of any other denomination.

Denomination of Registered Instruments

1.05 Registered Instruments will be in the minimum Specified Denomination specified in the relevant Final Terms or integral multiples thereof Provided that any Registered Instruments bearing the Private Placement Legend (as defined in Condition 2.07 below) will be in the denomination of not less than U.S.\$500,000 (or the U.S. dollar equivalent).

Currency of Instruments

1.06 Instruments may be denominated in any currency (including, without limitation, euro, Japanese Yen, Pounds Sterling and United States Dollars), subject to compliance with all applicable legal or regulatory requirements.

For the purposes of these Terms and Conditions, references to Instruments shall, as the context may require, be deemed to be to Temporary Global Instruments, Permanent Global Instruments, Definitive Instruments or, as the case may be, Registered Instruments.

2. Title

2.01 Title to Bearer Instruments passes by delivery. References herein to the “**Holders**” of Bearer Instruments or of Coupons signify the bearers of such Bearer Instruments or such Coupons.

2.02 Title to Registered Instruments passes by registration in the register which is kept by the Principal Registrar or the First Alternative Registrar, as specified in the relevant Final Terms. For the purposes of these Terms and Conditions, “**Registrar**” means, in relation to any Series of Registered Instruments, the Principal Registrar or the First Alternative Registrar. References herein to the “**Holders**” of Registered Instruments signify the persons in whose names such Instruments are so registered.

2.03 The Holder of any Instrument or Coupon will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing thereon, or any theft or loss thereof) and no person shall be liable for so treating such Holder.

Transfer of Registered Instruments

2.04 A Registered Instrument may, upon the terms and subject to the terms and conditions set forth in the Fiscal Agency Agreement, be transferred in whole or in part only (provided that such part is, or is an integral multiple of, the minimum Specified Denomination specified in the relevant Final Terms) upon the surrender of the Registered Instrument to be transferred, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar. A new Registered Instrument will be issued to the transferee and, in the case of a transfer of part only of a Registered Instrument, a new Registered Instrument in respect of the balance not transferred will be issued to the transferor.

2.05 Each new Registered Instrument to be issued upon the transfer of Registered Instruments will, upon the effective receipt of such form of transfer by the Registrar at its specified office, be available for delivery at the specified office of the Registrar. For these purposes, a form of transfer received by the Registrar during the period of fifteen days in New York, London or, as the case may be, Luxembourg Banking Days ending on the due date for any payment on the relevant Registered Instruments shall be deemed not to be effectively received by the Registrar until the day following the due date for such payment.

For the purposes of these Terms and Conditions, (i) “**New York Banking Day**” means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in New York City; (ii) “**London Banking Day**” means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and (iii) “**Luxembourg Banking Day**” means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in Luxembourg.

2.06 The issue of new Registered Instruments on transfer will be effected without charge by or on behalf of the Bank or the Registrar, but upon payment by the applicant of (or the giving by the applicant of such indemnity as the Registrar may require in respect of) any tax or other governmental charges which may be imposed in relation thereto.

2.07 Notwithstanding the foregoing, any Instrument sold by a Dealer to a qualified institutional buyer within the meaning of Rule 144A under the Securities Act of 1933, as amended from time to time (the “**Securities Act**”) will be registered in the register which is kept by the Principal Registrar or the First Alternative Registrar, as specified in the relevant Final Terms. Acceptance of any such Registered Instrument will be deemed to have been made on the basis of certain representations and warranties of such qualified institutional buyer or institutional accredited investor referred to below under “**Subscription and Sale**”. Upon the transfer, exchange or replacement of Registered Instruments of any Series bearing the private placement legend (the “**Private Placement Legend**”) set forth in the form of Registered Instrument scheduled to the Fiscal Agency Agreement, the Registrar shall deliver only

Registered Instruments of such Series that also bear such legend unless either (i) such transfer, exchange or replacement occurs two or more years after the later of (1) the original Issue Date of Instruments of such Series or (2) the last date on which the Bank or any affiliates (as defined below) of the Bank as notified to the Registrar by the Bank as provided in the following sentence, was the beneficial owner of such Instrument (or any predecessor of such Instrument) or (ii) there is delivered to the Registrar an opinion reasonably satisfactory to the Bank of United States counsel experienced in giving opinions with respect to questions arising under the securities laws of the United States to the effect that neither such legend nor the restrictions on transfer set forth therein are required in order to maintain compliance with the provisions of such laws. The Bank covenants and agrees that it will not acquire any beneficial interest, and will cause its “**affiliates**” (as defined in paragraph (a)(1) of Rule 144 under the Securities Act) not to acquire any beneficial interest, in any Registered Instrument bearing the Private Placement Legend unless it notifies the Registrar of such acquisition. The Registrar and all Holders of Instruments shall be entitled to rely without further investigation on any such notification (or lack thereof).

2.08 For so long as any of the Registered Instruments bearing the Private Placement Legend remain outstanding and are “**restricted securities**” within the meaning of Rule 144(a)(3) under the Securities Act, the Bank covenants and agrees that it shall, during any period in which it is not subject to Section 13 or 15(d) under the United States Securities Exchange Act of 1934 nor exempt from reporting pursuant to Rule 12g3-2(b) under such Act, make available to any Holder of such Instruments in connection with any sale thereof and any prospective purchaser of such Instruments from such Holder, in each case upon request, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act.

3. Status

3A. Status – Unsubordinated Instruments

3A.01 This Condition 3A is applicable in relation to Instruments specified in the relevant Final Terms as being unsubordinated or not specified as being subordinated.

3A.02 The Instruments of each Series constitute unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Bank and rank *pari passu* without any preference among themselves and at least *pari passu* with all other present or future unsecured and unsubordinated indebtedness of the Bank, subject to statutorily preferred exceptions.

3B. Status – Subordinated Instruments

3B.01 This Condition 3B is applicable in relation to Instruments specified in the relevant Final Terms as being subordinated (“**Subordinated Instruments**”).

3B.02 The Subordinated Instruments constitute and will constitute indebtedness of the Bank the right to payment of which is subordinated in the event of the winding-up or bankruptcy of the Bank to the claims of depositors and other creditors of the Bank (other than the holders of Subordinated Instruments) and rank and will rank *pari passu* without any preference among themselves and at least equally with all other Subordinated Indebtedness (as defined below).

For the purposes of this Condition, “**Subordinated Instruments**” means all indebtedness of the Bank the right of which is subordinated in the event of winding up or in bankruptcy of the Bank to the claims of depositors and other unsubordinated creditors of the Bank.

Subordinated Instruments will constitute Debentures (*debentuuri*) for the purposes of the Finnish Promissory Notes Act (*Velkakirjalaki*) (622/1947), as amended relating to provisions covering loans based on mass instruments of debt by the law 746/1993.

No holder of any Subordinated Instrument to which this Condition 3B applies or related Coupon shall be entitled to exercise any right of set-off or counterclaim against moneys owned by the Bank in respect of such Instrument or Coupon.

3B.03 The principal amount of the Subordinated Instrument specified in the relevant Final Terms as being “**Upper Tier 2 Subordinated Instrument**” is included in the Bank’s supplementary capital in the capital adequacy calculations and is an item comparable to the Bank’s restricted capital for the purposes of assessing the continuation of the Bank’s operations.

4. Negative Pledge – Unsubordinated Instruments

4A.01 This Condition 4 is applicable in relation to Instruments specified in the relevant Final Terms as being unsubordinated or not specified as being subordinated.

4A.02 So long as any of the Instruments remains outstanding, but only up to the time all amounts of principal, interest or, as the case may be, other redemption amount shall have been placed at the disposal of the Fiscal Agent or, as the case may be the Registrar, the Bank will not create or have outstanding any Indebtedness, or grant or have outstanding any Guarantee, either of which is secured by any pledge, lien, mortgage or other charge (whether fixed or floating) upon its own assets without in any such case at the same time having the Holders share equally and rateably in such security or such other security as will have been confirmed as reasonably equivalent thereto by an independent auditor appointed by the Bank.

For this purpose:

“**Guarantee**” means any guarantee, surety or indemnity given by the Bank in relation to any Indebtedness of any other company otherwise than (a) arising by operation of law or (b) in the ordinary course of banking business (as defined below); and

“**Indebtedness**” means any present or future indebtedness under or evidenced by any bond, note, debenture or other like security which is for the time being, or is capable of being, quoted, listed or ordinarily dealt in any stock exchange, over-the-counter or other securities market and which is initially offered or distributed, directly or indirectly, primarily to persons resident outside the Republic of Finland except such indebtedness which is incurred either:

- (i) in the ordinary course of business of banking or financial leasing ordinarily carried on at the relevant time by banking institutions (directly or through subsidiaries) in Finland or elsewhere (“**banking business**”); or
- (ii) in the ordinary course of the business carried on by any subsidiary of the Bank.

5. Interest

Instruments may be interest-bearing or non-interest-bearing or a combination of the two, as specified in the relevant Final Terms. The Final Terms in relation to each Series of interest-bearing Instruments shall specify which of Conditions 5A, 5B, 5C, 5D, 5E or 5F shall be applicable Provided that Condition 5G will be applicable as specified therein, save to the extent inconsistent with the relevant Final Terms.

5A. Interest – Fixed Rate

Instruments in relation to which this Condition 5A is specified in the relevant Final Terms as being applicable shall bear interest from their date of issue (the “**Issue Date**”). Issue Date (as specified in the relevant Final Terms) or from such other date as may be specified in the relevant Final Terms at the rate or rates per annum specified in the relevant Final Terms. Such interest will be payable in arrear on such dates as are specified in the relevant Final Terms and on the date of final maturity thereof. Such interest will be calculated on such basis as may be specified in the relevant Final Terms.

If interest is required to be calculated for a period other than a full year, such interest shall be calculated:

- (i) if “**Actual/Actual (ICMA)**” is so specified in the applicable Final Terms, means:
 - (a) where the calculation of an amount for any period of time (the “**Calculation Amount**”) is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (b) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;

- (ii) if “30/360” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

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

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

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

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

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30”; or

- (iii) on such other basis as may be specified in the relevant Final Terms.

For the purposes of the foregoing:

“**Regular Period**” means:

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

5B. Interest – Floating Rate and Index-Linked

5B.01 Instruments in relation to which this Condition 5B is specified in the relevant Final Terms as being applicable shall bear interest at the rate per annum determined in accordance with this Condition 5B (the “**Rate of Interest**”).

5B.02 Instruments shall bear interest from their date of issue (as specified in the relevant Final Terms) or from such other date as may be specified in the relevant Final Terms (the “**Interest Commencement Date**”). Such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the relevant Final Terms; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the relevant Final Terms, each date (each such date, together with each Specified Interest Payment Date, an “**Interest Payment Date**”) which falls the number of months or period specified as the Specified Period in the relevant Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date; or
- (iii) on the date of final maturity of the relevant Instruments (or otherwise as provided in the relevant Final Terms).

The period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an “**Interest Period**”.

5B.03 Unless otherwise specified in the relevant Final Terms, if any Interest Payment Date would otherwise fall on a date which is not a Business Day (as defined in Condition 9), then, if the Business Day Convention specified is:

- (i) the “**Floating Rate Convention**”, such Interest Payment Date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred Provided that:
 - (A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
 - (C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; or
- (ii) the “**Following Business Day Convention**”, such Interest Payment Date shall be postponed to the next date which is a Business Day; or
- (iii) the “**Modified Following Business Day Convention**”, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding day which is a Business Day; or
- (iv) the “**Preceding Business Day Convention**”, such Interest Payment Date shall be brought forward to the immediately preceding day which is a Business Day.

5B.04 If the Instruments are specified in the relevant Final Terms as Floating Rate Instruments, the Final Terms shall specify which page (the “**Relevant Screen Page**”) on the Reuters Screen or any other information vending service shall be applicable. For these purposes, “**Reuters Screen**” means the Reuter Money Market Rates Services (or such other service or services as may be nominated as the information vendor for the purpose of displaying comparable rates in succession thereto).

5B.05 If the Instruments are specified in the relevant Final Terms as Floating Rate Instruments, the Rate of Interest applicable to such Instruments for each Interest Period shall be determined by the Fiscal Agent on the following basis:

- (i) the Fiscal Agent will determine the rate for deposits (or, as the case may require, the arithmetic mean of the rates for deposits) in the relevant currency for a period of the duration of the relevant Interest Period on the Relevant Screen Page as of 11.00 a.m. (London time, in the case of LIBOR; Brussels time, in the case of EURIBOR) on the second London Banking Day before (or, in the case of Instruments denominated in euro, on the second TARGET Settlement Day before or, in the case of Instruments denominated in Pounds Sterling, on) the first day of the relevant Interest Period (the “**Interest Determination Date**”);
- (ii) if no such rate for deposits so appears (or, as the case may require, if fewer than two such rates for deposits so appear), the Fiscal Agent will request appropriate quotations and will determine the arithmetic mean of the rates at which deposits in the relevant currency are offered by four major banks in the London interbank market (or, in the case of Instruments denominated or payable in euro, the euro zone interbank market), selected by the Fiscal Agent, at approximately 11.00 a.m. (London time, in the case of LIBOR; Brussels time, in the case of EURIBOR) on the Interest Determination Date to prime banks in the London interbank market or, in the case of Instruments denominated or payable in euro, the euro zone interbank market for a period of the duration of the relevant Interest Period and in an amount that is representative for a single transaction in the relevant market at the relevant time; and

- (iii) if fewer than two rates are so quoted, the Fiscal Agent will determine the arithmetic mean of the rates quoted by major banks in the Relevant Financial Centre (as defined in Condition 9) (or, in the case of Instruments denominated in euro, in such financial centre or centres within the euro zone as the Fiscal Agent may select), selected by the Fiscal Agent, at approximately 11.00 a.m. (Relevant Financial Centre (as defined in Condition 9C.03) time) on the first day of the relevant Interest Period for loans in the relevant currency to leading European banks for a period of the duration of the relevant Interest Period and in an amount that is representative for a single transaction in the relevant market at the relevant time,

and the Rate of Interest applicable to such Instruments during each Interest Period will be the sum of the relevant margin (the “**Relevant Margin**”) specified in the relevant Final Terms and the rate (or, as the case may be, the arithmetic mean) so determined provided that, if the Fiscal Agent is unable to determine a rate (or, as the case may be, an arithmetic mean) in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to such Instruments during such Interest Period will be the sum of the Relevant Margin and the rate (or, as the case may be, the arithmetic mean) last determined in relation to such Instruments in respect of a preceding Interest Period or will be determined in such other manner as may be specified in the relevant Final Terms.

5B.06 If the Instruments are specified in the relevant Final Terms as Index-Linked Interest Instruments, the Rate(s) of Interest applicable to the Instruments for each Interest Period will be determined in the manner specified in the relevant Final Terms.

5B.07 The Fiscal Agent will, as soon as practicable after determining the Rate of Interest in relation to each Interest Period, calculate the amount of interest (the “**Interest Amount**”) payable in respect of each instrument for the relevant Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount (as defined in the relevant Final Terms), multiplying the product by the Day Count Fraction specified in the relevant Final Terms and rounding the resulting figure to the nearest sub-unit of the currency in which such Instruments are denominated or, as the case may be, in which such interest is payable (one half of any such sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Instrument divided by the Calculation Amount.

“**Day Count Fraction**” means, in respect of the Calculation Period, such day count fraction as may be specified in the Final Terms and:

- (i) if “**Actual/365**” or “**Actual/Actual – ISDA**” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified hereon, the actual number of days in the Calculation Period divided by 365;
- (iii) if “**Actual/360**” is specified hereon, the actual number of days in the Calculation Period divided by 360;
- (iv) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Calculation Period is the 31st of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30- day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
- (v) if “**30E/360**” or “**Eurobond Basis**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y_2-Y_1)]+[30x(M_2-M_1)]+(D_2-D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

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

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

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

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

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30.

5C. Interest – Swap-Related (ISDA)

5C.01 Instruments in relation to which this Condition 5C is specified in the relevant Final Terms as being applicable shall bear interest at the rate or rates per annum determined in accordance with this Condition 5C.

5C.02 Each such Instrument shall bear interest from its date of issue (as specified in the relevant Final Terms). Such interest will be payable on such dates and in such amounts as would have been payable (regardless of any event of default or termination event thereunder) by the Bank had it entered into a swap transaction (to which an Interest Rate and Currency Exchange Agreement or a Master Agreement and the 2006 ISDA Definitions (as amended and updated from time to time), as published by the International Swaps and Derivatives Association, Inc., applied) with the Holder of such Instruments under which:

- the Bank was the Fixed Rate Payer or, as the case may be, the Floating Rate Payer;
- the Fiscal Agent (or such other person as may be specified in the relevant Final Terms) was the Calculation Agent;
- such date of issue was the Effective Date;
- the principal amount of such Note was the Calculation Amount; and
- all other terms were as specified in the relevant Final Terms.

5D. Interest – Upper Tier 2 Subordinated Instruments

5D.01 This Condition 5D is applicable to Instruments specified in the relevant Final Terms as being Upper Tier 2 Subordinated Instruments.

5D.02 *Interest Deferral Option*

The Bank may elect not to make payment of the interest accrued during any Interest Period if, on the date as of which or to which the most recently published annual or interim accounts of the Bank were prepared, the Bank was in breach of the capital adequacy requirements applicable to the Bank, provided however that the Bank may not make such an election (and any election already made shall cease to have effect) if, since that date the Bank has at any time been in compliance with such applicable requirements. Any interest not then paid shall, so long as it remains unpaid, constitute “**Arrears of Interest**”. Arrears of Interest may at the option of the Bank be paid in whole or in part at any time on giving not less than seven days’ notice to such effect (which notice shall specify the amount of such Arrears of Interest) to the Holders of the Instruments in accordance with Condition 14.

Interest will accrue on the amount of Arrears of Interest at the Rate of Interest applicable from time to time in respect of the Instruments and will become due and payable pursuant to paragraph 5D.03 below and shall be calculated by the Fiscal Agent applying the relevant Rate of Interest to the amount of Arrears of Interest. For the purpose of calculating such interest in respect of subsequent Interest Periods, the amount of such interest accrued during any Interest Period shall be added to the amount of Arrears of Interest remaining unpaid on the Interest Payment Date in respect of that Interest Period and shall bear interest accordingly. For the purposes of these Conditions “**Interest**” includes, unless the context otherwise requires, Arrears of Interest and interest accrued pursuant to this paragraph.

5D.03 Payment of Arrears of Interest

All Arrears of Interest on all outstanding Instruments shall (subject to Condition 3) become due and payable in full on whichever is the earliest of:

- (i) 14 days following the date on which the Bank next satisfies the capital adequacy requirements applicable to it;
- (ii) the date on which the Instruments are to be redeemed pursuant to any provision of Condition 6; and
- (iii) the commencement of a liquidation (other than in the circumstances described in Condition 7B.02(c)) or bankruptcy of the Bank.

5D.04 Notice of Interest Deferral and Payment of Arrears of Interest

The Bank shall in accordance with Condition 14:

- (i) give not more than 14 nor less than seven days' prior notice (or if this is not practicable, such notice as may be practicable) to the Holders of the Instruments of any Interest Payment Date on which, pursuant to the provisions of paragraph 5D.02 above, any interest will not be paid; and
- (ii) not more than seven days after satisfying the capital adequacy requirements as described in paragraph 5D.03 above, notify the Holders of the Instruments that Arrears of Interest will become due and payable on the fourteenth day after so satisfying such capital adequacy requirements.

5E. Interest – Other Rates

Instruments in relation to which this Condition 5E is specified in the relevant Final Terms as being applicable shall bear interest at the rates per annum or payable in the amounts and in the manner determined in accordance with the relevant Final Terms.

5F. Interest – Dual Currency Instrument Provisions

5F.01 Application

This Condition 5F is applicable to the Instruments only if the Dual Currency Instrument Provisions are specified in the relevant Final Terms as being applicable.

5F.02 Rate of Interest

If the rate or amount of interest falls to be determined by reference to an exchange rate, the rate or amount of interest payable shall be determined in the manner specified in the relevant Final Terms.

5G. Interest – Supplemental Provision

5G.01 Condition 5G.02 shall be applicable in relation to Instruments in relation to which Condition 5B or, where applicable, Condition 5C, 5D, 5E or 5F is specified in the relevant Final Terms as being applicable and Condition 5G.03 shall be applicable in relation to all interest-bearing Instruments.

5G.02 Notification of Rates of Interest, Interest Amounts and Interest Payment Dates

The Fiscal Agent will cause each Rate of Interest, floating rate, Interest Payment Date, final day of a calculation period, Interest Amount or floating amount, as the case may be, determined by it to be notified to the Bank, the other Paying Agents and, in the case of Registered Instruments, the Registrar (from whose respective specified offices such information will be available) as soon as practicable after such determination but in any event not later than the fourth London Banking Day thereafter and, in the case of Instruments admitted to the Official List of the UKLA and admitted to trading on the London Stock Exchange, cause each such Rate of Interest, floating rate, Interest Amount or floating amount, as the case may be, to be notified to the UKLA and the London Stock Exchange. The Fiscal Agent will be entitled to amend any Interest Amount, floating amount, Interest Payment Date or last day of a calculation period (or to make appropriate alternative arrangements by way of adjustment) in the event of the extension or abbreviation of the relevant Interest Period or calculation period.

5G.03 The determination by the Fiscal Agent or such other agent as is specified in the relevant Final Terms of all rates of interest and amounts of interest for the purposes of this Condition 5 shall, in the absence of manifest error, be final and binding on all parties.

5H. Interest – Zero Coupon Instrument Provisions

5H.01 *Application*

This Condition 5H shall be applicable to the Instruments only if the Zero Coupon Instrument Provisions are specified in the relevant Final Terms as being applicable.

5H.02 *Late payment on Zero Coupon Instruments*

If the Redemption Amount payable in respect of any Zero Coupon Instrument is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

- (i) the Reference Price; and
- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Instrument up to that day are received by or on behalf of the relevant Holders of the Instruments and (ii) the day which is seven days after the Fiscal Agent has notified the Holders of the Instruments that it has received all sums due in respect of the Instruments up to such seventh day (except to the extent that there is any subsequent default in payment).

6. Redemption and Purchase

Redemption at Maturity

6.01 Unless previously redeemed, or purchased and cancelled or unless such Instrument is stated in the relevant Final Terms as having no fixed maturity date, Instruments shall be redeemed at their principal amount (or at such other redemption amount as may be specified in the relevant Final Terms) on the date or dates specified in the relevant Final Terms.

Early Redemption for Taxation Reasons

6.02 If, in relation to any Series of Instruments, (i) the Bank has or will become obliged to pay additional amounts as referred to in Condition 8 as a result of any change in or amendment to the laws or regulations of the Republic of Finland or of any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the interpretation or administration of any such laws or regulations which becomes effective on or after the date of issue of such Instruments or any earlier date specified in the relevant Final Terms, on the occasion of the next payment due in respect of such Instruments and (ii) such obligation cannot be avoided by the Bank taking reasonable measures available to it, then the Bank may (subject, in the case of Subordinated Instruments, to the prior approval of the Finnish Financial Supervision Authority, provided that such approval is not required where, because of the restrictions laid down in Chapter 5 Article 46 of The Act on Credit Institutions (121/2007) as amended (*Laki luottolaitostoiminnasta*) and in Standard 4.3a of the Finnish Financial Supervision Authority, it is no longer permitted to include the whole or part only of the principal of such Instruments in the Bank's own funds calculation), on the expiry of the appropriate notice, (being in the case of Instruments which bear interest at a floating rate or an index-linked rate, a day upon which interest is payable) redeem all (but not some only) of the outstanding Instruments comprising the relevant Series at their principal amount (or at such other early redemption amount as maybe specified in the relevant Final Terms), together with accrued interest (if any) thereon. Provided that (A), save in case of Instruments which bear interest at a floating rate or an index-linked rate, no such notice may be given earlier than 90 days prior to the earliest date on which the Bank would be obliged to pay such additional amounts were a payment in respect of the relevant Instruments then due and (B) prior to the publication of any notice of redemption for taxation reasons, the Bank shall deliver to the Fiscal Agent or, in the case of Registered Instruments, the Registrar a certificate signed by two duly authorised officers of the Bank stating that the Bank is entitled to effect such redemption for taxation reasons and setting forth a statement of facts showing that the conditions precedent to the right of the Bank so to redeem have occurred and an opinion of independent legal advisers of recognised standing to the effect that the Bank has or will become obliged to pay such additional amounts as a result of such change or amendment.

Optional Early Redemption (Call)

6.03 If this Condition 6.03 is specified in the relevant Final Terms as being applicable, then the Bank may, upon the expiry of the appropriate notice and subject to such terms and conditions as may be specified in the relevant Final Terms, redeem in whole (but not, unless and to the extent that the relevant Final Terms specifies otherwise, in part only), of the Instruments of the relevant Series at its principal

amount (or such other redemption amount as may be specified in the relevant Final Terms), together with accrued interest (if any) thereon. Redemption by the Issuer of Subordinated Instruments will be, however, subject to the prior approval of the Finnish Financial Supervision Authority, provided that such approval is not required where, because of the restrictions laid down in Chapter 5 Article 46 of The Act on Credit Institutions (121/2007) as amended (*Laki luottolaitostoiminnasta*) and in Standard 4.3a of the Finnish Financial Supervision Authority, it is no longer permitted to include the whole or part only of the principal of such Instruments in the Bank's own funds calculation.

6.04 The appropriate notice referred to in Condition 6.02 and 6.03 is a notice given by the Bank to the Fiscal Agent, the Registrar (in the case of Registered Instruments) and the Holders of the Instruments of the relevant Series, which notice shall be signed by two duly authorised officers of the Bank and shall specify:

- the Series of Instruments subject to redemption;
- whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Instruments of the relevant Series which are to be redeemed; and
- the due date for such redemption, which shall be not less than thirty days (or such lesser period as may be specified in the relevant Final Terms) after the date on which such notice is validly given.

Any such notice shall be irrevocable, and the delivery thereof shall oblige the Bank to make the redemption therein specified.

Partial Redemption

6.05 If the Instruments of a Series are to be redeemed in part only on any date in accordance with Condition 6.03:

- in the case of Bearer Instruments, the Instruments to be redeemed shall be drawn by lot in such European city as the Fiscal Agent may specify, or identified in such other manner or in such other place as the Fiscal Agent may approve and deem appropriate and fair, subject always to compliance with all applicable laws and the requirements of any stock exchange on which the relevant Instruments may be listed; and
- in the case of Registered Instruments, the Instruments shall be redeemed pro rata to their principal amounts, subject always as aforesaid.

Optional Early Redemption (Put)

6.06 If this Condition 6.06 is specified in the relevant Final Terms as being applicable, then the Bank shall, upon the exercise of the relevant option by the Holder of any Instrument of the relevant Series, redeem such Instrument on the date or the next of the dates specified in the relevant Final Terms at its principal amount (or such other redemption amount as may be specified in the relevant Final Terms), together with accrued interest (if any) thereon. In order to exercise such option, the Holder must, not less than forty-five days before the date so specified (or such other period as may be specified in the relevant Final Terms), deposit the relevant Instrument (together, in the case of an interest-bearing Definitive Instrument, with any unmatured Coupons appertaining thereto) with, in the case of a Bearer Instrument, any Paying Agent or, in the case of a Registered Instrument, the Registrar together with a duly completed redemption notice in the form which is available from the specified office of any of the Paying Agents or, as the case may be, the Registrar.

Early redemption of Zero Coupon Instruments

6.07 Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Instrument at any time before the Maturity Date shall be an amount equal to the sum of:

- (i) the Reference Price; and
- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Instrument becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count

Fraction as may be specified in the Final Terms for the purposes of this Condition 6.07 or, if none is so specified, a Day Count Fraction of 30E/360.

Purchase of Instruments

6.08 The Bank may (subject, in the case of Subordinated Instruments, to the prior approval of the Finnish Financial Supervision Authority, provided that such approval is not required where, because of the restrictions laid down in Chapter 5 Article 46 of The Act on Credit Institutions (121/2007) as amended (*Laki luottolaitostoiminnasta*) and in Standard 4.3a of the Finnish Financial Supervision Authority, it is no longer permitted to include the whole or part only of the principal of such Instruments in the Bank's own funds calculation) at any time purchase Instruments in the open market or otherwise and at any price provided that, in the case of interest-bearing Definitive Instruments, any unmatured Coupons appertaining thereto are purchased therewith.

Cancellation of Redeemed and Purchased Instruments

6.09 All unmatured Instruments redeemed or purchased in accordance with this Condition and, in the case of interest-bearing Definitive Instruments, all unmatured Coupons attached thereto or surrendered or purchased therewith may be held, resold or cancelled. References in this Condition to the purchase of Instruments by the Bank shall not include the purchase of Notes in the ordinary course of business of dealing in securities or the purchase of Instruments otherwise than as beneficial owner.

7. Events of Default

7A. Events of Default – Unsubordinated Instruments

7A.01 This Condition 7A is applicable in relation to Instruments specified in the relevant Final Terms as being unsubordinated or not specified as being subordinated.

7A.02 Unless otherwise specified in the relevant Final Terms, the following events or circumstances (each an “**Event of Default**”) shall be events of default in relation to the Instruments of any relevant Series, namely:

- (a) there is default in the payment of any principal or other redemption amount due in respect of the Instruments for more than ten business days; or
- (b) there is default in the payment of interest in respect of the Instruments for more than ten business days; or
- (c) the Bank defaults in the performance of any of its other obligations set out in the Instruments and such default is not remedied within 45 days after written notice requiring the same to be remedied shall have been given to the Bank by any Holder; or
- (d) the obligation to repay any indebtedness for money borrowed by the Bank or any Material Subsidiary and having an aggregate outstanding principal amount of at least euro 10,000,000 (or its equivalent in any other currency or currencies) is accelerated as a result of notice of an event of default or, if notice is not required, the occurrence of an event of default in accordance with its terms prior to its stated maturity (otherwise than pursuant to a provision permitting prepayment at the option of the Bank or any Material Subsidiary) or any such indebtedness is not paid at its stated maturity (or by the expiry of any applicable grace period as originally provided) (except where the obligation to make such payment is being contested in good faith);
- (e) there is default by the Bank or any Material Subsidiary in making any payment due under any guarantee and/or any indemnity (other than in the case of the Bank a guarantee or indemnity given in the ordinary course of its banking business) given by it in respect of any obligation or indebtedness for borrowed money having an aggregate outstanding principal amount of at least euro 10,000,000 (or its equivalent in any other currency or currencies) (except where the obligation to make such payment is being contested in good faith); or
- (f) a decree or order is made or issued by a court of competent jurisdiction adjudging the Bank or any Material Subsidiary to be bankrupt or insolvent, or a final decree or order is made or issued by the relevant authority, as the case may be, for the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of the Bank or any Material Subsidiary or of all or any material part of the property of any of them, or for the winding up or liquidation of the Bank or any Material Subsidiary; or

- (g) an order is made or an effective resolution is passed for the winding-up or liquidation of the Bank or any Material Subsidiary (otherwise than in the case of the Bank in connection with or in pursuance of a reorganisation or reconstruction approved by the relevant authority, as the case may be, upon which the continuing corporation or the corporation formed as a result of such reorganisation or reconstruction effectively assumes the entire obligations of the Bank under the Instruments and any Coupons appertaining thereto and the whole or substantially the whole of the business and assets of the Bank are vested in that corporation, which shall either be a legal entity which is formed under Finnish law or shall indemnify and hold harmless the Holder of each Instrument and any Coupons appertaining thereto against any and all taxes, charges, duties, liabilities, costs and expenses of whatever nature incurred by or levied against the Holder of such Instrument or Coupon by reason of such assumption of obligations and is authorised to carry on the business of a bank in the Republic of Finland, and in the case of a Material Subsidiary, where the whole or substantially the whole of the business and assets of that Material Subsidiary are vested in a Subsidiary or Subsidiaries of the Bank or in the Bank) or the Bank or any Material Subsidiary institutes proceedings seeking adjudication of bankruptcy or seeking with respect to itself a decree of commencement of composition under applicable Finnish law or the applicable law of any other jurisdiction, or consents to the institution of any such proceedings, or consents to, or acquiesces in, the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of it or of all or any material part of its property, or makes a general assignment for the benefit of its creditors; or
- (h) the Bank or any Material Subsidiary stops payment (within the meaning of the Bankruptcy Law of the Republic of Finland) or ceases, or through an official action of its Board of Directors threatens to cease, to carry on its business or a substantial part thereof (otherwise than in connection with or in pursuance of such reorganisation or reconstruction as is referred to in (g) above).

For the purposes of (d) and (e), any indebtedness which is in a currency other than euro shall be translated into euro at the relevant exchange rate in the London foreign exchange market quoted by any leading bank, selected by the Fiscal Agent, at the relevant day for such translation.

“**Subsidiary**” means any company or other entity whose accounts are for the time being, or, in the case of a company or other entity acquired after the date of the Bank’s most recent accounts, will be consolidated with those of the Bank for the purposes of the consolidated accounts of the Bank issued to shareholders of the Bank.

“**Material Subsidiary**” means at any time a Subsidiary the gross assets of which (or, where the interest in the share capital of such Subsidiary is less than 100 per cent., a proportion thereof equal to the proportion of the share capital owned, directly or indirectly, by the Bank) represent more than 20 per cent. of the consolidated gross assets of the Bank and its Subsidiaries (taken as a whole).

7A.03 If any Event of Default shall occur in relation to any Series of Instruments, any Holder of any Instrument of the relevant Series may by written notice to the Bank declare such Instrument and (if the Instrument is interest bearing) all interest then accrued on such Instrument to be forthwith due and payable, whereupon the same shall become immediately due and payable at its principal amount (or, at such other amount as may be specified in the relevant Final Terms) unless prior to the time when the Bank receives such notice the situation giving rise to the notice has been cured. Provided, however, that in the events specified in (c), (d) and (e) any notice declaring the Instruments due shall become effective only when the Bank has received such notices from the Holders of at least one-fifth in principal amount of the relevant Instruments then outstanding.

7B. Events of Default – Subordinated Instruments

7B.01 This Condition 7B is applicable in relation to Instruments specified in the relevant Final Terms as being subordinated.

7B.02 Unless otherwise specified in the relevant Final Terms, the following events or circumstances (each an “**Event of Default**”) shall be events of default in relation to the Instruments of any relevant Series, namely:

- (a) there is a default in the payment of any principal or other redemption amount due in respect of the Instruments for more than ten business days; or
- (b) there is default in the payment of interest in respect of the Instruments as and when the same becomes due and payable for more than ten business days; or

- (c) an order is made or an effective resolution is passed for the winding-up or liquidation (otherwise than in connection with or in pursuance of a reorganisation or reconstruction either approved by the relevant authority, as the case may be, upon which the continuing corporation or the corporation formed as a result of such reorganisation or reconstruction effectively assumes the entire obligations of the Bank under the Instruments and any Coupons appertaining thereto and the whole or substantially the whole of the business and assets of the Bank are vested in that corporation, which shall either be a legal entity which is formed under Finnish law or shall indemnify and hold harmless the Holder of such Instrument or Coupon by reason of such assumption of obligations and is authorised to carry on the business of a bank in the Republic of Finland or approved by an Extraordinary Resolution of the holders of Subordinated Instruments) or bankruptcy of the Bank in the Republic of Finland.

7B.03 If any Event of Default shall occur in relation to any Series of Instruments:

- (i) in the case of an Event of Default described at (a) or (b) in Condition 7B.02 any Holder of any Instrument of the relevant Series may, subject as provided below, at its discretion institute such proceedings against the Bank as it may think fit to enforce the obligations of the Bank under the relevant Instrument and may institute proceedings in the Republic of Finland for the winding-up or bankruptcy of the Bank provided that the Bank shall not, by virtue of the institution of any such proceedings other than proceedings for the winding-up or bankruptcy of the Bank, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it and provided further that all payments in respect of the Instruments pursuant to this Condition 7B.03(i) are subject to the prior authorisation of the Finnish Financial Supervision Authority, provided that such approval is not required where, because the restrictions laid down in Chapter 5 Article 46 of The Act on Credit Institutions (121/2007) as amended (*Laki luottolaitostoiminnasta*) and in Standard 4.3a of the Finnish Financial Supervision Authority, it is no longer permitted to include the whole or part only of the principal of such Instrument in the Bank's own fund calculation; or
- (ii) in the case of an Event of Default described at (c) in Condition 7B.02, any Holder of any Instrument of the relevant Series may, subject as provided below, at its discretion give written notice to the Bank that such Instrument is, and it shall accordingly thereby immediately become, due and repayable at its principal amount (or such other redemption amount as may be specified in the relevant Final Terms) together with accrued interest (if any) thereon.

7B.04 Any notice declaring the Instruments due under this Condition 7B shall become effective only when the Bank has received such written notices from the Holders of at least one-fifth in principal amount of the relevant Instruments then outstanding.

8. Taxation

8.01 All amounts payable (whether in respect of principal, redemption amount, interest or otherwise) in respect of the Instruments will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Republic of Finland or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Bank will pay such additional amounts as may be necessary in order that the net amounts receivable by any Holder after such withholding or deduction shall equal the respective amounts which would have been receivable by such Holder in the absence of such withholding or deduction; except that no such additional amounts shall be payable in respect of payment of any Bearer Instrument or Coupon:

- (i) presented for payment by, or by a third party on behalf of, a Holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Bearer Instrument or Coupon by reason of his having some connection with the Republic of Finland other than the mere holding of such Bearer Instrument or Coupon; or
- (ii) presented for payment more than thirty days after the Relevant Date, except to the extent that the relevant Holder would have been entitled to such additional amounts on presenting the same for payment on the expiry of such thirtieth day; or

- (iii) presented for payment by or on behalf of a Holder who would not be liable or subject to such withholding or deduction if he were to make a declaration of non-residence or other claim for exemption but fails to do so; or
- (iv) presented for payment in the Republic of Finland; or
- (v) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (vi) presented for payment by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting the relevant Bearer Instrument or Coupon to another Paying Agent in a Member State of the EU;

and except that no such additional amounts shall be payable in respect of payment in respect of any Registered Instrument the Holder of which is liable to such taxes or duties assessments or governmental charges in respect of Registered Instruments by reason of his having some connection with the Republic of Finland other than the mere holding of such Registered Instrument or by or on behalf of a Holder who would not be liable or subject to such withholding or deduction if he were to make a declaration of non-residence or other claim for exemption but fails to do so.

8.02 For the purposes of this Condition 8, the “**Relevant Date**” means the date on which such payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Fiscal Agent or, as the case may be, the Registrar on or prior to such due date, it means the first date on which the full amount of such moneys has been so received and notice to that effect shall have been duly given to the Holders of the Instruments of the relevant Series in accordance with Condition 14.

8.03 Any reference in these Terms and Conditions to principal, redemption amount and/or interest in respect of the Instruments shall be deemed also to refer to any additional amounts which may be payable under this Condition 8 or any undertaking given in addition thereto or in substitution therefor.

9. Payments

9A. Payments – Bearer Instruments

9A.01 This Condition 9A is applicable in relation to Instruments specified in the relevant Final Terms as being in bearer form.

9A.02 Payment of amounts (including accrued interest) due on the redemption of Bearer Instruments will be made against presentation and, save in the case of a partial redemption by reason of insufficiency of funds, surrender of the relevant Bearer Instruments at the specified office of any of the Paying Agents outside the United States.

9A.03 Payment of amounts due in respect of interest (and any other amounts due other than at final redemption) on Bearer Instruments will be made:

- (i) in the case of a Temporary Global Instrument or Permanent Global Instrument, against presentation of the relevant Temporary Global Instrument or Permanent Global Instrument at the specified office of any of the Paying Agents outside the United States and, in the case of a Temporary Global Instrument, upon due certification as required therein;
- (ii) in the case of Definitive Instruments without Coupons attached thereto at the time of their initial delivery, against presentation of the relevant Definitive Instruments at the specified office of any of the Paying Agents outside the United States; and
- (iii) in the case of Definitive Instruments delivered with Coupons attached thereto at the time of their initial delivery, against surrender of the relevant Coupons at the specified office of any of the Paying Agents outside the United States.

9A.04 If the due date for payment of any amount due (whether in respect of principal, interest or otherwise) in respect of any Bearer Instruments is not a Business Day, then the Holder thereof will not be entitled to payment thereof until the next following Business Day and no further payment shall be due in respect of such delay save in the event that there is a subsequent failure to pay in accordance with these Terms and Conditions.

9A.05 Each Definitive Instrument initially delivered with Coupons attached thereto should be surrendered for final redemption together with all unmatured Coupons appertaining thereto, failing which:

- (i) in the case of Definitive Instruments which bear interest at a fixed rate or rates, the amount of any missing unmatured Coupons will be deducted from the amount otherwise payable on such final redemption, the amount so deducted being payable against surrender of the relevant Coupon at the specified office of any of the Paying Agents at anytime prior to the tenth anniversary of the due date of such final redemption or, if later, the fifth anniversary of the date of maturity of such Coupon; and
- (ii) in the case of Definitive Instruments which bear interest at, or at a margin above or below, a floating rate, all unmatured Coupons relating to such Definitive Instruments (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them.

9B. Payments – Registered Instruments

9B.01 This Condition 9B is applicable in relation to Instruments specified in the relevant Final Terms as being in registered form.

9B.02 Payment of amounts (including accrued interest) due on the final redemption of Registered Instruments will be made against presentation and, save in the case of a partial redemption by reason of insufficiency of funds, surrender of the relevant Registered Instruments at the specified office of the Registrar. If the due date for payment of the final redemption amount of Registered Instruments is not a Business Day, the Holder thereof will not be entitled to payment thereof until the next following Business Day and no further payment shall be due in respect of such delay save in the event that there is a subsequent failure to pay in accordance with these Terms and Conditions.

9B.03 Payment of amounts (whether principal, interest or otherwise) due (other than in respect of the final redemption of Registered Instruments) in respect of Registered Instruments will be paid to the Holders thereof (or, in the case of joint Holders, the first-named) as appearing in the register kept by the Registrar as at opening of business in London or, as the case may be, New York or Luxembourg time) on the fifteenth London or, as the case may be, New York or Luxembourg Banking Day before the due date for such payment (the “**Record Date**”).

9B.04 Notwithstanding the provisions of Condition 9C.02, payments of principal, interest or otherwise due other than in respect of a final redemption of Registered Instruments will be made by a cheque which is drawn on a bank in the Relevant Financial Centre and which is posted to the address (as recorded in the register held by the Registrar) of the Holder thereof (or, in the case of joint-Holders, the first-named) on the Business Day immediately preceding the relevant date for payment unless prior to the relevant Record Date the Holder thereof (or, in the case of joint Holders, the first named) has applied to the Registrar and the Registrar has acknowledged such application for payment to be made to a designated account.

9C. Payments – General Provisions

9C.01 Save as otherwise specified herein, this Condition 9C is applicable in relation to Instruments whether in bearer or in registered form.

9C.02 Payments of amounts due (whether in respect of principal, interest or otherwise) in respect of Instruments will be made by cheque drawn on, or by transfer to, an account maintained by the payee with, a bank in the Relevant Financial Centre. Payments will, without prejudice to the provisions of Condition 8, be subject in all cases to any applicable fiscal or other laws and regulations.

9C.03 For the purposes of these Terms and Conditions:

- (i) “**Business Day**” means (unless varied or restated in the relevant Final Terms) a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in London and, in the case of Registered Instruments, New York City or Luxembourg and:
 - in relation to Instruments denominated or payable in euro, a day on which TARGET2 is operating;

- in relation to Instruments denominated in any other currency, a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the Relevant Financial Centre; and
 - in relation to payments due upon presentation and/or surrender of any Instruments or Coupon, a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the relevant place of presentation and/or surrender;
- (ii) “**EURIBOR**” means the euro zone interbank offered rate;
- (iii) “**euro zone**” means the zone comprising the Member States of the European Union which adopt or have adopted the euro as their lawful currency in accordance with the Treaty establishing the European Community, as amended;
- (iv) “**LIBOR**” means the London interbank offered rate;
- (v) “**Relevant Financial Centre**” means:
- in relation to Instruments denominated in Japanese Yen, Tokyo;
 - in relation to Instruments denominated in Pounds Sterling, London;
 - in relation to Instruments denominated in United States Dollars, New York City;
 - in relation to Instruments denominated in any other currency, such financial centre or centres as may be specified in relation to the relevant currency and for the purposes of the definition of “**Business Day**” in the 2006 ISDA Definitions (as amended and updated from time to time), as published by the International Swaps and Derivatives Dealers Association, Inc.; and
 - any Additional Business Centre(s) specified in the relevant Final Terms;
- (vi) “**TARGET2**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;
- (vii) “**TARGET Settlement Day**” means any day on which TARGET2 is open for the settlement of payments in euro;
- and, in all cases, as the same may be modified in the relevant Final Terms.

10. Prescription

10.01 Bearer Instruments and Coupons will become void unless presented for payment within ten years (or, in the case of Coupons and save as provided in Condition 9A.05, five years) after the due date for payment.

10.02 Claims against the Bank in respect of Registered Instruments will be prescribed unless made within ten years (or, in the case of claims in respect of interest, five years) after the due date for payment.

11. The Paying Agents and the Registrars

The initial Paying Agents and Registrars and their respective initial specified offices are specified below. The Bank reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Fiscal Agent) or the Registrar and to appoint additional or other Paying Agents or another Registrar *provided that* it will at all times maintain (i) a Fiscal Agent, (ii) a Registrar, (iii) a Paying Agent with a specified office in continental Europe (but outside the United Kingdom), (iv), so long as any Instruments are listed on the Official List of the UKLA and are admitted to trading on the London Stock Exchange, a Paying Agent and a Registrar with a specified office in London and (v) a paying agent in a EU member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC. The Paying Agents and the Registrar reserve the right at any time to change their respective specified offices to some other specified office in the same city. Notice of all changes in the identities or specified offices of the Paying Agents or the Registrar will be notified promptly to the Holders.

12. Replacement of Instruments

If any Instrument or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent (in the case of Bearer Instruments and Coupons) or of the

Registrar (in the case of Registered Instruments), subject to all applicable laws and the requirements of any stock exchange on which the relevant Instruments are listed, upon payment by the claimant of all expenses incurred in such replacement and upon such terms as to evidence, security, indemnity and otherwise as the Bank and the Fiscal Agent or, as the case may be, the Registrar may require. Mutilated or defaced Instruments and Coupons must be surrendered before replacements will be delivered therefor.

13. Meetings of Holders; Modification

13.01 The Fiscal Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening meetings of the Holders of Instruments of any Series to consider any matter affecting their interest, including (without limitation) the modification by Extraordinary Resolution (as defined in the Fiscal Agency Agreement) of these Terms and Conditions. An Extraordinary Resolution passed at any meeting of the Holders of Instruments of any Series will be binding on all Holders of such Series, whether or not they are present at the meeting and on all Couponholders (if any).

13.02 The Fiscal Agency Agreement may be modified or amended by the parties thereto, without the consent of the Holders of any Instruments or Coupons, in any way in which the parties thereto agree is not materially prejudicial to the interests of the Holders of such Instruments or Coupons or which is of a formal, minor or technical nature or which is necessary to correct a manifest error. The Bank may, with the consent of the Fiscal Agent, but without the consent of the Holders of any Instruments or Coupons, amend these Terms and Conditions and the Deed of Covenant insofar as they may apply to such Instruments to correct a manifest error.

14. Notices

To Holders of Bearer Instruments

14.01 Notices to Holders of Bearer Instruments will, save where another means of effective communication has been specified in the relevant Final Terms, be deemed to be validly given if published in a leading daily newspaper having general circulation in London (which is expected to be the *Financial Times* or, if such publication is not practicable, if published in a leading English-language newspaper having general circulation in Europe. Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of first such publication) or, as the case maybe, on the fourth Business Day after the date of such delivery.

To Holders of Registered Instruments

14.02 Notices to Holders of Registered Instruments will be deemed to be validly given if sent by first-class mail to them (or, in the case of joint Holders, to the first-named in the register kept by the Registrar) at their respective addresses as recorded in the register kept by the Registrar, and will be deemed to have been validly given on the fourth Business Day after the date of such mailing.

To the Bank

14.03 Notices to the Bank will be deemed to be validly given if delivered to Pohjola Bank plc, Teollisuuskatu 1b, FIN-00510 Helsinki and clearly marked on their exterior "Urgent – Attention: Pohjola Bank plc – Legal Services" (or at such other address and for such other attention as may have been notified to the Holders of the Instruments in accordance with this Condition 14) and will be deemed to have been validly given at the opening of business on the next day on which the Bank's principal office is open for business.

15. Redenomination

15.01 *Redenomination:* Where redenomination is specified in the applicable Final Terms as being applicable, the Bank may, without the consent of the Holders of the Instruments or Coupons, on giving prior notice to the Fiscal Agent, Euroclear and Clearstream, Luxembourg and at least 30 days' prior notice to the Holders in accordance with Condition 14, elect that, with effect from the Redenomination Date specified in the notice, the Instruments shall be redenominated in euro.

The election will have effect as follows:

- (a) the Instruments and the Receipts shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for each Instrument and Receipt equal to the nominal amount of that Instrument or Receipt in the Specified Currency, converted into euro at the Established Rate, provided that, if the Bank determines, with the agreement

of the Fiscal Agent, that the then market practice in respect of the redenomination in euro 0.01 of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Bank shall promptly notify the Holders, the listing authority, stock exchange (and/or quotation system) (if any) on which the Instruments may be listed and the Paying Agents of such deemed amendments;

- (b) save to the extent that an Exchange Notice has been given in accordance with paragraph (c) below, the amount of interest due in respect of the Instruments will be calculated by reference to the aggregate nominal amount of Instruments presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant Holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (c) if definitive Instruments are required to be issued after the Redenomination Date, they shall be issued at the expense of the Bank in the denomination of euro 50,000 and thereafter in the denominations of euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts less than euro 1,000 or such smaller denominations as the Fiscal Agent may approve) euro 0.01 and such other denominations as the Fiscal Agent shall determine and notify to the Holders;
- (d) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Instruments) will become void with effect from the date on which the Bank gives notice (the “**Exchange Notice**”) that replacement euro-denominated Instruments, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Instruments and Receipts so issued will also become void on that date although those Instruments and Receipts will continue to constitute valid exchange obligations of the Bank. New euro-denominated Instruments, Receipts and Coupons will be issued in exchange for Instruments, Receipts and Coupons denominated in the Specified Currency in such manner as the Fiscal Agent may specify and as shall be notified to the Holders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Instruments;
- (e) after the Redenomination Date, all payments in respect of the Instruments, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Instruments to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account maintained by the payee with a bank in the principal financial centre of any Member State of the European Communities (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;
- (f) if the Instruments are Fixed Rate Instruments and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated:
 - (i) in the case of Instruments represented by a global Instrument, by applying the Rate of Interest to the full nominal amount outstanding of the Instruments, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention; and
 - (ii) in the case of Definitive Instruments, by applying the Rate of Interest to the Calculation Amount, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention and then multiplying such rounded figure by the number of times the relevant Definitive Instrument can be divided by the Calculation Amount; and
- (g) if the Instruments are Floating Rate Instruments, the applicable Final Terms will specify any relevant changes to the provisions relating to interest.

15.02 *Definitions:* In the Conditions, the following expressions have the following meanings:

“**Established Rate**” means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty;

“**Euro**” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

“**Redenomination Date**” means (in the case of interest bearing Instruments) any date for payment of interest under the Instruments or (in the case of Zero Coupon Instruments) any date, in each case specified by the Bank in the notice given to the Holders pursuant to Condition 15.01 above and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union; and

“**Treaty**” means the Treaty establishing the European Community, as amended.

16. Further Issues

The Bank may from time to time without the consent of the Holders of any Instruments of any Series create and issue further notes, bonds or debentures having the same terms and conditions as the Instruments of such Series in all respects (or in all respects except for the first payment of interest, if any, on them) so as to form a single series with the Instruments of such Series.

17. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Instruments under the Contracts (Rights of Third Parties) Act 1999.

18. Law and Jurisdiction

18.1 *Governing law:* The Instruments, the Fiscal Agency Agreement and the Deed of Covenant and any non-contractual obligations arising out of or in connection with the Instruments, the Fiscal Agency Agreement and the Deed of Covenant are governed by English law save for the subordination provisions set out in Condition 3B which are governed by Finnish law.

18.2 *English courts:* The courts of England have exclusive jurisdiction to settle any dispute (a “**Dispute**”), arising from or connected with the Instruments or any non-contractual obligation arising out of or in connection with the Instruments.

18.3 *Appropriate forum:* The Bank agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

18.4 *Rights of the Holders of the Instruments to take proceeding outside England:* Condition 18.2 (*English courts*) is for the benefit of the Holders of the Instruments only. As a result, nothing in this Condition 18 (*Law and jurisdiction*) prevents any Holders of the Instruments from taking proceedings relating to a Dispute (“**Proceedings**”) in any other courts with jurisdiction. To the extent allowed by law, Holders of the Instruments may take concurrent Proceedings in any number of jurisdictions.

18.5 *Process agent:* The Bank agrees that the documents which start any Proceedings in England and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to S H Process Agents Limited, One St. Paul’s Churchyard, London EC4M 8SH or, if different, its registered office for the time being. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Bank in England, the Bank shall, on the written demand of the Fiscal Agent addressed and delivered to the Bank, appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, the Fiscal Agent shall be entitled to appoint such a person by written notice addressed to the Bank and delivered to the Bank. Nothing in this paragraph shall affect the right of any Holder of the Instruments to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings elsewhere.

18.6 The Bank agrees to pay any stamp, registration, documentary or other duties or taxes payable in connection with the enforcement of any Instrument or Coupon where such duties or taxes are incurred in connection with the enforcement of any such Instrument or Coupon and where such duties

or taxes are incurred in connection with any Proceedings resulting in a decision in favour of the Holder of such Instrument or Coupon. In addition, the Bank hereby agrees to indemnify the Holder of any Instrument or Coupon in respect of any stamp duty incurred by such Holder as a pre-condition to the Courts of the Republic of Finland admitting any Instrument or Coupon in evidence and where such stamp duty is incurred in connection with any Proceedings resulting in a decision in favour of the Holder of such Instrument or Coupon.

USE OF PROCEEDS

The proceeds of the issue of each Series of Instruments will be used by the Bank for general corporate purposes.

PRO FORMA FINAL TERMS

Part A

Contractual Terms

Final Terms dated ●

Pohjola Bank plc (“Pohjola Bank” or the “Issuer”)
(Incorporated in Finland with limited liability)

Issue of [Aggregate Nominal Amount of Tranche] [Title of the Instruments]
under the **EUR 15,000,000,000 Programme for the Issuance of Debt Instruments**

The Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Instruments in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a “**Relevant Member State**”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Instruments. Accordingly any person making or intending to make an offer in that Relevant Member State of the Instruments may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Instruments in any other circumstances.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [*current date*] [and the supplemental Base Prospectus dated [●]] which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC (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 [as so supplemented]. 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 [as so supplemented]. [The Base Prospectus [and the supplemental Base Prospectus] [is] [are] available for viewing during normal business hours at the offices of Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB and on Pohjola Bank plc’s website (<http://www.pohjola.com>) and www.londonstockexchange.com/rns and copies may be obtained from the registered office of Pohjola Bank plc at Teollisuuskatu 1b, FIN-00510 Helsinki, Finland.]

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date and the relevant terms and conditions from that Base Prospectus with an earlier date were incorporated by reference in this Base Prospectus.

Terms used herein shall be deemed to be defined as such for the purposes of the [*date*] Conditions (the “**Conditions**”) incorporated by reference in the Base Prospectus dated [*current date*]. This document constitutes the Final Terms of the Instruments described herein for the purposes of Article 5.4 of Directive 2003/71/EC (the “**Prospectus Directive**”) and must be read in conjunction with the Base Prospectus dated [*current date*] [and the supplemental Base Prospectus dated [●]], which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of the Prospectus Directive, save in respect of the Conditions which are set forth in the base prospectus dated [*original date*] and are incorporated by reference in the 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 Prospectuses dated [*original date*] and [*current date*] [and the supplemental Base Prospectuses dated [●] and [●]]. [The Base Prospectuses [and the supplemental Base Prospectuses] are available for viewing during normal business hours at the offices of Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB and on Pohjola Bank plc’s website (<http://www.pohjola.com>) and www.londonstockexchange.com/rns and copies may be obtained from the registered office of Pohjola Bank plc at Teollisuuskatu 1b, FIN-00510 Helsinki, Finland.]

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

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

1. [(i)] Issuer: Pohjola Bank plc
2. [(i)] Series Number: [●]
 [(ii)] Tranche Number: [●]
(If fungible with an existing Series, details of that Series, including the date on which the Instruments become fungible).]
3. Specified Currency or Currencies: [●]
4. Aggregate Nominal Amount of Instruments: [●]
 [(i)] Series: [●]
 [(ii)] Tranche: [●]
5. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
6. (i) Specified Denominations: [●]
(No Instruments may be issued which have a minimum denomination of less than EUR 50,000 (or nearly equivalent in another currency)).
 [€50,000 and integral multiples of [€1,000] in excess thereof up to and including [€99,000]. No definitive Instruments will be issued with a denomination above [€99,000].] *(NB only relevant for issues which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount)*
- (ii) Calculation Amount: [●]
(The applicable Calculation Amount (which is used for the calculation of interest and redemption amounts) will be (i) if there is only one Specified Denomination, the Specified Denomination of the relevant Instruments or (ii) if there are several Specified Denominations or the circumstances referred to in the guidance note to item 6 above apply (e.g. Specified Denominations of €50,000 and multiples of €1,000), the highest common factor of those Specified Denominations (note: there must be a common factor in the case of two or more Specified Denominations)).
7. [(i)] Issue Date: [●]
 [(ii)] Interest Commencement Date [Specify/Issue Date/Not Applicable]
8. Maturity Date: [specify date or (for Floating Rate Instruments) Interest Payment Date falling in or nearest to the relevant month and year]
9. Interest Basis: [[●] per cent. Fixed Rate]
 [[specify reference rate] +/- [●] per cent Floating Rate]
 [Zero Coupon]
 [Index Linked Interest]
 [Other (specify)]
[Specify which of Conditions 5A. (Fixed Rate), 5B. (Floating Rate and Index-Linked), 5C. (Swap-Related (ISDA)), 5D. (Upper Tier 2 Subordinated Instruments) or 5E. (Other Rates) is applicable]
 (further particulars specified below)

10. Redemption/Payment Basis: [Redemption at par]
[Index Linked Redemption]
[Dual Currency]
[Partly Paid]
[Instalment]
[Other (*specify*)]
11. Change of Interest or Redemption/
Payment Basis: [*Specify details of any provision for
convertibility of Instruments into another interest
or redemption/ payment basis*]
12. Put/Call Options: [Investor Put]
[Issuer Call]
[(further particulars specified below)]
13. Status of the Instruments: [Unsubordinated/Subordinated]
[(i)] [Date Board approval for
issuance of Instruments obtained:
*(N.B Only relevant where Board (or similar)
authorisation is required for the particular tranche
of Instruments)*]
14. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Instrument Provisions** [Applicable/Not Applicable]
*(If not applicable, delete the remaining
sub-paragraphs of this paragraph)*
- (i) Rate(s) of Interest: per cent. per annum [payable [annually/
semi-annually/quarterly/monthly/other (*specify*)]
in arrear]
- (ii) Interest Payment Date(s): in each year [adjusted in accordance with
*specify Business Day Convention and any
applicable Business Centre(s) for the definition
of "Business Day"*]/not adjusted]
- (iii) Fixed Coupon Amount(s): per Calculation Amount
- (iv) Broken Amount(s): per Calculation Amount, payable on the
Interest Payment Date falling [in/on]
- (v) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA)/other]
- (vi) Other terms relating to the method
of calculating interest for Fixed Rate
Instruments: [Not Applicable/*give details*]
16. **Floating Rate Instrument Provisions** [Applicable/Not Applicable]
*(If not applicable, delete the remaining sub-
paragraphs of this paragraph) [Also consider
whether EURO BBA LIBOR or EURIBOR is
the appropriate reference rate.]*
- (i) Interest Period(s)
- (ii) Specified Interest Payment Dates:
- (iii) First Interest Payment Date:
- (iv) Business Day Convention: [Floating Rate Convention/Following Business
Day Convention/ Modified Following Business
Day Convention/ Preceding Business Day
Convention/ other (*give details*)]
- (v) Business Centre(s):
- (vi) Manner in which the Rate(s) of
Interest is/are to be determined: [Screen Rate Determination/other (*give details*)]
- (vii) Party responsible for calculating
the Rate(s) of Interest and/or Interest
Amount(s) (if not the Fiscal Agent):

- (viii) Screen Rate Determination:
- Reference Rate: [For example, LIBOR or EURIBOR]
 - Interest Determination Date(s): [●]
 - Relevant Screen Page: [●]
- (ix) Swap-related (ISDA) [●]
- (x) Margin(s): [+/-][●] per cent. per annum
- (xi) Minimum Rate of Interest: [●] per cent. per annum
- (xii) Maximum Rate of Interest: [●] per cent. per annum
- (xiii) Day Count Fraction: [●]
- (xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Instruments, if different from those set out in the Conditions: [●]
- 17. Zero Coupon Instrument Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Accrual Yield: [●] per cent. per annum
 - (ii) Reference Price: [●]
 - (iii) Any other formula/basis of determining amount payable: [●]
- 18. Index-Linked Interest Instrument Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Index/Formula: [give or annex details]
 - (ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Fiscal Agent): [●]
 - (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable: [●]
 - (iv) Interest Determination Date(s): [●]
 - (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
 - (vi) Interest or calculation period(s): [●]
 - (vii) Specified Period: [●]
 - (viii) Specified Interest Payment Dates: [●]
 - (ix) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
 - (x) Business Centre(s): [●]
 - (xi) Minimum Rate/Amount of Interest: [●] per cent. per annum
 - (xii) Maximum Rate/Amount of Interest: [●] per cent. per annum
 - (xiii) Day Count Fraction: [●]

19. **Dual Currency Instrument Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
 - (ii) Party, if any, responsible for calculating the principal and/or interest due (if not the Fiscal Agent): [●]
 - (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]
 - (iv) Person at whose option Specified Currency(ies) is/are payable: [●]

PROVISIONS RELATING TO REDEMPTION

20. **Call Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●]
 - (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [●] per Calculation Amount
 - (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: [●] per Calculation Amount
 - (b) Maximum Redemption Amount: [●] per Calculation Amount
 - (iv) Notice period [●]
21. **Put Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●]
 - (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [●] per Calculation Amount
 - (iii) Notice period [●]
22. **Final Redemption Amount** [●] per Calculation Amount
 In cases where the Final Redemption Amount is Index-Linked or other variable-linked:
- (i) Index/Formula/variable: [give or annex details]
 - (ii) Party responsible for calculating the Final Redemption Amount (if not the Fiscal Agent): [●]
 - (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [●]
 - (iv) Interest Determination Date(s): [●]
 - (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
 - (vi) Payment Date: [●]
 - (vii) Minimum Final Redemption Amount: [●] per Calculation Amount

(viii) Maximum Final Redemption Amount: per Calculation Amount

23. **Early Redemption Amount**

Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):

GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

24. Form of Instruments:

Bearer Instruments:

[Temporary Global Instrument exchangeable for a Permanent Global Instrument which is exchangeable for Definitive Instruments in the limited circumstances specified in the Permanent Global Instrument]

[Temporary Global Instrument exchangeable for Definitive Instruments in the limited circumstances specified in the Temporary Global Instrument]

[Permanent Global Instrument exchangeable for Definitive Instruments in the limited circumstances specified in the Permanent Global Instrument]

[Registered Instruments]

25. New Global Instrument:

[Yes] [No]

26. Financial Centre(s) or other special provisions relating to payment dates:

[Not Applicable/give details. Note that this item relates to the date and place of payment, and not interest period end dates, to which items 15(ii), 16(v) and 18(ix) relates]

27. Talons for future Coupons or Receipts to be attached to Definitive Instruments (and dates on which such Talons mature):

[Yes/No. If yes, give details]

28. Details relating to Partly Paid Instruments: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Instruments and interest due on late payment:

[Not Applicable/give details]

29. Details relating to Instalment Instruments: amount of each instalment, date on which each payment is to be made:

[Not Applicable/give details]

30. Redenomination, renominatisation and reconventioning provisions

[Not Applicable/The provisions in Condition 15 (Redenomination, renominatisation and reconventioning) apply]

31. Other final terms:

[Not Applicable/give details]

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

DISTRIBUTION

- 32. (i) If syndicated, names of Managers [Not Applicable/*give names*]
- (ii) Stabilising Manager(s) (if any): [Not Applicable/*give name*]
- 33. If non-syndicated, name and address of Dealer: [Not Applicable/*give name and address*]
- 34. U.S. Selling Restrictions: [Reg. S Compliance Category; Rule 144A: TEFRA C/TEFRA D/ TEFRA not applicable]
- 35. Additional selling restrictions: [Not Applicable/*give details*]

[PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on [the regulated market of the London Stock Exchange/*specify relevant regulated market*] of the Instruments described herein pursuant to the EUR 15,000,000,000 Programme for the Issuance of Debt Instruments of Pohjola Bank plc.]

RESPONSIBILITY

Pohjola Bank plc accepts responsibility for the information contained in these Final Terms. [(*Relevant third party information*) has been extracted from (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:
Duly authorised

By:
Duly authorised

Part B

Other Information

1. LISTING

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 London Stock Exchange with effect from [●].]
[Application is expected to be made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on the regulated market of the London Stock Exchange with effect from [●].] [Not Applicable.]

(Where documenting a fungible issue need to indicate that original Instruments are already admitted to trading.)

Estimate of total expenses related to admission to trading:

[●]

2. RATINGS

Ratings:

The Instruments to be issued are expected to be rated:

[S & P: []]

[Moody's: []]

[Fitch: []]

[[Other]: []]

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

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

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in “Subscription and Sale”, so far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer.”]

[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

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

[(i) Reasons for the offer:

[]

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

[(ii) Estimated net proceeds:

[●]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[(iii)] Estimated total expenses: [●].

[(If the Instruments are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)]

5. **[Fixed Rate Instruments only – YIELD**

Indication of yield: [●].

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

6. **[Index-Linked Instruments only – PERFORMANCE OF INDEX/FORMULA/ OTHER VARIABLE OTHER INFORMATION CONCERNING THE UNDERLYING**

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident. Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. [(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

The Issuer *[intends to provide post-issuance information [specify what information will be reported and where it can be obtained]]* [does not intend to provide post-issuance information].

7. **[Dual Currency Instruments only – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

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

[(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

8. **OPERATIONAL INFORMATION**

ISIN Code: []

Common Code: []

CUSIP: [] *[If Rule 144A Instruments are issued]*

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking Societe Anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any): []

New Global Instrument intended to be held in a manner which would allow Eurosystem eligibility: [Not Applicable/Yes/No]
[Note that the designation “Yes” simply means that the Instruments are intended upon issue to be deposited with one of the ICSDS as common safekeeper and does not necessarily mean that the Instruments will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the

Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. *[Include this text if “Yes” selected in which case the Instruments must be issued in NGI form]*

SUMMARY OF PROVISIONS RELATING TO THE INSTRUMENTS WHILE IN GLOBAL FORM

Clearing System Accountholders

Each Global Instrument will be in bearer form. Consequently, in relation to any Tranche of Instruments represented by a Global Instrument, references in the Terms and Conditions of the Instruments to “Holder of Instruments” are references to the bearer of the relevant Global Instrument which, for so long as the Global Instrument is held by a depositary or a common depositary, in the case of a CGI, or a common safekeeper, in the case of an NGI for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Instrument (each an “**Accountholder**”) must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder’s share of each payment made by the Bank to the bearer of such Global Instrument and in relation to all other rights arising under the Global Instrument. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Instrument will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Instruments are represented by the Global Instrument, Accountholders shall have no claim directly against the Bank in respect of payments due under the Instruments and such obligations of the Bank will be discharged by payment to the bearer of the Global Instrument.

Exchange of Temporary Global Instruments

Whenever any interest in a Temporary Global Instrument is to be exchanged for an interest in a Permanent Global Instrument, the Bank shall procure:

- (a) in the case of first exchange, the prompt delivery (free of charge to the bearer) of such Permanent Global Instrument, duly authenticated and, in the case of an NGI, effectuated, to the bearer of the Temporary Global Instrument; or
- (b) in the case of any subsequent exchange, an increase in the principal amount of such Permanent Global Instrument in accordance with its terms,

in each case in an aggregate principal amount equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and received by the Fiscal Agent against presentation and (in the case of final exchange) surrender of the Temporary Global Instrument to or to the order of the Fiscal Agent within 7 days of the bearer requesting such exchange.

Whenever a Temporary Global Instrument is to be exchanged for Definitive Instruments, the Bank shall procure the prompt delivery (free of charge to the bearer) of such Definitive Instruments, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Instrument to the bearer of the Temporary Global Instrument against the surrender of the Temporary Global Instrument to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) a Permanent Global Instrument has not been delivered or the principal amount thereof increased by 5.00 p.m. (London time) on the seventh day after the bearer of a Temporary Global Instrument has requested exchange of an interest in the Temporary Global Instrument for an interest in a Permanent Global Instrument; or
- (b) Definitive Instruments have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer of a Temporary Global Instrument has requested exchange of the Temporary Global Instrument for Definitive Instruments; or
- (c) a Temporary Global Instrument (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Instruments or the date for final redemption of a Temporary Global Instrument has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Instrument in accordance with the terms of the Temporary Global Instrument on the due date for payment,

then the Temporary Global Instrument (including the obligation to deliver a Permanent Global Instrument or increase the principal amount thereof or deliver Definitive Instruments, as the case may be) will become void at 5.00 p.m. (London time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (London time) on such thirtieth day (in the case of (b) above) or at 5.00 p.m. (London time) on such due date (in the case of (c) above) and the bearer of the Temporary Global Instrument will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Instrument or others may have under a deed of covenant dated 11 November 2009 (the “**Deed of Covenant**”) executed by the Bank). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Instrument will acquire directly against the Bank all those rights to which they would have been entitled if, immediately before the Temporary Global Instrument became void, they had been the holders of Definitive Instruments in an aggregate principal amount equal to the principal amount of Instruments they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Exchange of Permanent Global Instruments

Whenever a Permanent Global Instrument is to be exchanged for Definitive Instruments, the Bank shall procure the prompt delivery (free of charge to the bearer) of such Definitive Instruments, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Instrument to the bearer of the Permanent Global Instrument against the surrender of the Permanent Global Instrument to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Instruments have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer of a Permanent Global Instrument has duly requested exchange of the Permanent Global Instrument for Definitive Instruments; or
- (b) a Permanent Global Instrument (or any part of it) has become due and payable in accordance with the Terms and Conditions of the Instruments or the date for final redemption of the Instruments has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Permanent Global Instrument in accordance with the terms of the Permanent Global Instrument on the due date for payment,

then the Permanent Global Instrument (including the obligation to deliver Definitive Instruments) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Instrument will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Instrument or others may have under the Deed of Covenant. Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Permanent Global Instrument will acquire directly against the Bank all those rights to which they would have been entitled if, immediately before the Permanent Global Instrument became void, they had been the holders of Definitive Instruments in an aggregate principal amount equal to the principal amount of Instruments they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Conditions applicable to Global Instruments

Each Global Instrument will contain provisions which modify the Terms and Conditions of the Instruments as they apply to the Global Instrument. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Global Instrument will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Instrument to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Bank in respect of the Instruments. On each occasion on which a payment of principal or interest is made in respect of the Global Instrument, the Bank shall procure that in respect of a CGI the payment is noted in a schedule thereto and in respect of an NGI the payment is entered pro rata in the records of Euroclear and Clearstream, Luxembourg.

Exercise of put option: In order to exercise the option contained in Condition 6.06 (*Optional Early Redemption (Put)*) the bearer of the Permanent Global Instrument must, within the period specified in

the Conditions for the deposit of the relevant Instrument and put notice, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Instruments in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of call option: In connection with an exercise of the option contained in Condition 6.03 (*Optional Early Redemption (Call)*) in relation to some only of the Instruments, the Permanent Global Instrument may be redeemed in part in the principal amount specified by the Bank in accordance with the Conditions and the Instruments to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

Notices: Notwithstanding Condition 14 (*Notices*), while all the Instruments are represented by a Permanent Global Instrument (or by a Permanent Global Instrument and/or a Temporary Global Instrument) and the Permanent Global Instrument is (or the Permanent Global Instrument and/or the Temporary Global Instrument are) deposited with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Holders of Instruments may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Holders of Instruments in accordance with Condition 14 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Denominations

So long as the Instruments are represented by a Temporary Global Instrument or a Permanent Global Instrument and the relevant clearing system(s) so permit, in the case of Instruments which have a denomination consisting of a minimum Specified Denomination plus a higher integral multiple of another smaller amount, the Instruments may be tradeable only in the minimum Specified Denomination and higher integral multiples, notwithstanding that no Definitive Instruments will be issued with a denomination above that stated in the Final Terms.

INFORMATION ON POHJOLA BANK

Pohjola Bank (formerly known as OKO Bank plc) was established for an indefinite period on 14 May 1902 in Helsinki with the name Osuuskassojen Keskuslainarahasto-Osakeyhtiö. OKO Bank plc was renamed Pohjola Bank plc on 1 March 2008. Pohjola Bank's registration number in Finnish National Patent and Register Board is 0199920-7 and its domicile is in Helsinki, therefore Finnish legislation applies to Pohjola Bank. The Bank's accounting period is one calendar year. Pohjola Bank's A shares are quoted on NASDAQ OMX Helsinki. Pohjola Bank's address is Pohjola Bank, Teollisuuskatu 1 b, 00510 Helsinki, Finland and its telephone number is +358 10 252 010.

The Bank is the central financing institution of the cooperative banks and as a commercial bank it engages in the business operations set forth in the Finnish Act on Credit Institutions (*Laki Luottolaitostoiminnasta* 9.2.2007/121, as amended) ("**The Credit Institution Act**"). The special purpose of the Bank is to promote, as a central financing institution, the activities of the cooperative banks and other institutions belonging to the OP-Pohjola Group. Pohjola Bank's business expanded to cover non-life insurance after the Bank acquired the majority of Pohjola Group plc in September 2005.

The Bank can offer investment services pursuant to the Finnish Act on Investment Firms (*Laki sijoituspalveluyrityksistä*, 26.10.2007/922 as amended) (the "**Investment Firms Act**") as well as the custodian and asset management services according to the Section 31 of the Credit Institution Act and Sections 5 and 15 of the Investment Firms Act. Apart from these businesses the Bank is the central financing institution of the Member Cooperative Banks and is responsible for the OP-Pohjola Group's liquidity management and international affairs. Pohjola Bank focuses on serving customers both at home and abroad. Through its alliances, Pohjola Bank is able to deliver banking services to its customers in a cost-effective and locally oriented way also abroad. The Bank has been a member of the Unico Banking Group, an association of European cooperative banks, for over 25 years. The Bank has representative offices in St. Petersburg and in Tallinn.

Pohjola Bank Group comprises the parent company Pohjola Bank plc and its subsidiaries (together the "**Pohjola Bank Group**"). The most significant subsidiaries engaged in business operations include Pohjola Insurance Ltd, A-Insurance Ltd, Eurooppalainen Insurance Company Ltd, Pohjola Property Management Ltd, Pohjola Asset Management Limited, Pohjola Corporate Finance Ltd and Pohjola Capital Partners Ltd, as well as the Seesam non-life insurance companies operating in Estonia, Latvia and Lithuania. The Pohjola Bank Group employed approximately 3000 people at the end of 2008 (at the end of 2007 the figure was 3058).

Pohjola Bank Group has three business segments. The three business segments comprise Banking Services, Asset Management and Non-life Insurance.

Pohjola's Banking Services provide corporate and institutional customers with solutions for their financing and financial management needs. Banking Services consists of the following business divisions: Corporate Banking, Markets, and Baltic Banking. Corporate Banking provides corporate and institutional customers with financing and cash management services and financing services for foreign trade and grants loans and guarantees as well as leasing services and financing using accounts receivables as collateral. The Markets division's services range from the arrangement of debt issues, corporate finance services, and custody, equity, foreign exchange, money market and derivative products to investment research. Markets executes orders placed by both its clients and Pohjola Bank in international markets and is also an active player in international derivatives markets, the government bond market in the euro area and corporate bond markets. Its customers comprise Finnish and international companies and institutions and its income derives from net commissions and income from trading. Baltic Banking provides finance-company products in Estonia, Latvia and Lithuania.

The Asset Management business segment is responsible for asset management services for OP-Pohjola Group's major institutional and private customers. Furthermore, Pohjola Asset Management manages the portfolio of OP mutual funds. Asset Management consists of Pohjola Asset Management Ltd, Pohjola Private Equity Funds Ltd, Pohjola Property Management Ltd, Pohjola Capital Partners Ltd, SPEF I Oy and SMF I Oy. Pohjola Asset Management Ltd provides Finnish institutional clients and wealthy private individuals with discretionary and consultative asset management services. Furthermore, the portfolio management of OP Fund Management Company Ltd's mutual funds is mainly centralised within Pohjola Asset Management.

In the Non-Life Insurance business segment, Pohjola offers corporate and private customers a broad range of non-life insurance products, including both statutory and voluntary insurance policies. In Finland, the following three Group companies conduct Non-life Insurance business: Pohjola Insurance Ltd is a general non-life insurance company, A-Insurance Ltd focuses on non-life insurance for commercial transport and Eurooppalainen Insurance Company Ltd specialises in travel insurance. In the Baltic States, the local Seesam subsidiaries conduct non-life insurance business. The range of Non-life Insurance products includes non-life policies for corporate and private customers. In addition, the domestic service network provides corporate customers with OP-Pohjola Group's life and pension policies and Ilmarinen Mutual Pension Insurance Company's employment pension policies while being in charge of customer service for Suomi Mutual Life Assurance Company and Ilmarinen. Furthermore, commissions and fees come from managing certain statutory charges and from risk management services.

Business divisions have own goals and strategies directed by group level and operation models are customised to the nature of business division. Business divisions support with their action the realisation of the strategy of the Pohjola Bank Group.

Centralised within Finance and Central Banking, Group Treasury is responsible for OP-Pohjola Group's financing and liquidity management as well as the management of the OP-Pohjola Group's investment operations. Group Treasury also serves as an internal bank in charge of Pohjola Bank's financial and interest rate risk management. It also manages OP-Pohjola Group's liquidity reserves and wholesale funding.

Pohjola Bank is a credit institution under public supervision. Supervision according to the Credit Institution Act is carried out by the Finnish Financial Supervision Authority, which operates in conjunction with the Bank of Finland. Pohjola Bank is also supervised by the OP-Pohjola Group Central Cooperative as stated in the Act on Cooperative Banks and Other Credit Institutions in the Form of a Cooperative (*Laki Osuuspankeista ja muista osuuskuntamuotoisista luottolaitoksista* 28.12.2001/1504 as amended, "**The Cooperative Bank Act**").

Pohjola Bank as a Part of the OP-Pohjola Group

Pohjola Bank is the most significant subsidiary of the OP-Pohjola Group Central Cooperative ("**The Central Cooperative**"). The Central Cooperative holds 29.98 per cent. of the shares of Pohjola Bank, giving the Central Cooperative 57.04 per cent. of the voting rights. Together with the holdings of its affiliate (OP Life Assurance Company Ltd) the total holdings of The Central Cooperative add up to 30.27 per cent. of the shares and 57.20 per cent. of the voting rights (as at 30 September, 2009).

The OP-Pohjola Group (formerly the OP Bank Group) began its operations in its current form without the non-life insurance business on 1 July 1997. The OP-Pohjola Group is a statutory amalgamation of Finnish cooperative banks and related entities forming a financial consortium as regulated by the Cooperative Bank Act. The Cooperative Bank Act, the Credit Institution Act and the Act on Cooperatives (*Osuuskuntalaki* 28.12.2001/1488, as amended) establish the main legal framework for cooperative banking applicable to the OP-Pohjola Group.

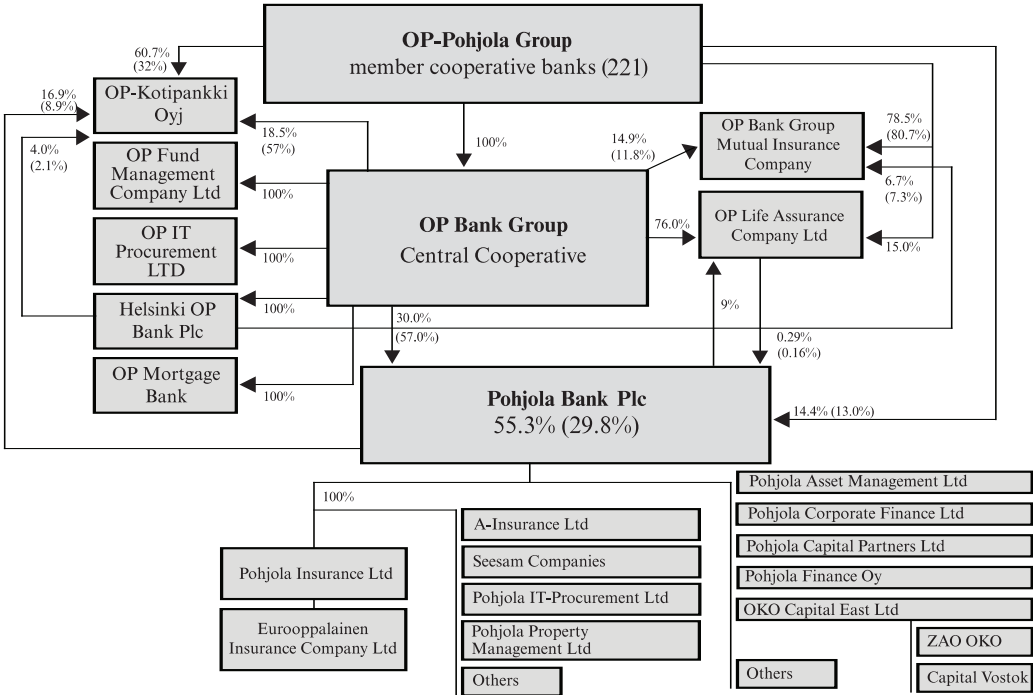
In accordance with applicable law, the OP-Pohjola Group comprises (a) the OP-Pohjola Group Central Cooperative, (the "**Central Cooperative**") (in Finnish, Op-Keskus osk) as the OP-Pohjola Group's central institution, (b) 221 member cooperative banks (the "**Member Cooperative Banks**"), (c) Pohjola Bank plc as central bank of the OP-Pohjola Group, (d) the companies belonging to the consolidation groups of the Central Cooperative and (e) the Member Credit Institutions described below.

In accordance with section 2, paragraph 3 of the Cooperative Bank Act, the Member Credit Institutions consist of Pohjola Bank plc, Helsinki OP Bank plc, OP-Kotipankki Oyj, OP Mortgage Bank and the Member Cooperative Banks. These Member Credit Institutions and the Central Cooperative are responsible for each other's liabilities and commitments in accordance with the Cooperative Bank Act.

Since Pohjola Bank is a subsidiary of the Central Cooperative and a part of the amalgamation, it is dependent upon the other entities within the amalgamation. The dependence is based on the Central Cooperative's ownership of Pohjola Bank as well as on the joint responsibility for one another's liabilities and commitments. Furthermore according to the strategic perspective, Pohjola Bank is the commercial bank of the OP-Pohjola Group and it acts as the central bank of the Member Cooperative Banks.

The Central Cooperative is responsible for issuing to the Member Credit Institutions guidelines with the aim of ensuring their liquidity, capital adequacy and risk management, and guidelines for the application of coherent accounting principles in compiling the consolidated financial statements of the OP-Pohjola Group. The Central Cooperative is also responsible for the Internal Capital Adequacy Assessment Process (ICAAP) for the OP-Pohjola Group. The Central Cooperative also has an obligation to monitor the operations of the Member Credit Institutions and their consolidation groups, and to issue directions concerning the internal supervision of the Member Credit Institutions. The obligation to issue guidelines and exercise supervision does not however give the Central Cooperative the power to determine the business operations of the Member Credit Institutions. Each Member Credit Institution carries on its business independently within the scope of its own resources.

The Company Structure of OP-Pohjola Group and Pohjola Bank Group (as at 30 September 2009)



(Share of voting rights). Minority shares outside the Group after the company name.

Management of Pohjola Bank

Pohjola Bank’s highest decision-making authority rests with the annual general meeting (“**General Meeting**”). The operational decision-making authority is exercised by the board of directors (“**Board of Directors**”) which is formed by election in the General Meeting.

Board of Directors of Pohjola Bank

It is the duty of the Board of Directors to attend to the Bank’s and its subsidiaries’ administration, ensure the appropriate arrangement of its operations and supervise the Bank’s accounting and financial management. The Board of Directors has general competence to decide on all matters related to the Bank’s management and other issues, which, according to legislation or to Pohjola Bank’s articles of association, are not the domain of the General Meeting, or the President and CEO. The Board of Directors decides on the Bank’s and its subsidiaries’ strategy and main business objectives and also confirms the management structure and policies.

The Board of Directors is composed of a chairman who is the Chairman of the Executive Board of the Central Cooperative and a Deputy Chairman who is the Deputy Chairman of the Executive Board of the Central Cooperative as well as a minimum of three and a maximum of eight other members elected by the General Meeting. For more information of the members of the Board of Directors see “Members of the Board of Directors” below.

President and CEO of Pohjola Bank

Pohjola Bank has a President and CEO appointed by the Board of Directors. The duty of the President and CEO is to administer the Bank's day-to-day administration in accordance with the rules and regulations set by the Board of Directors. Currently the President and CEO of Pohjola Bank is Mr Mikael Silvennoinen, office address: Teollisuuskatu 1b, 00510 Helsinki, Finland.

Mr Mikael Silvennoinen President and CEO,
Chairman of the Executive
Committee of Pohjola Bank plc

The main positions of trust
outside of the Pohjola Bank Group:

Unico Banking Group:
Member of the Steering
Committee

Konecranes Plc:
Member of the Board of Directors

Pohjola Bank plc A shares held on
31 December 2008:
21583

Members of the Board of Directors

At the date of this document the Chairman and Chief and members of the Board of Directors were:

Board of Directors

Name	Function	Significant Outside Activity (where significant with respect to the Bank)
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Members

Mr Reijo Karhinen	Chairman, Executive Chairman of the OP-Pohjola Group, Chairman of the Compensation Committee	Federation of Finnish Financial Services: Chairman of the Board of Directors, Confederation of Finnish Industries EK: Vice Chairman of the Board of Directors Ilmarinen Mutual Pension Insurance Company: Member of the Board of Directors, Central Chamber of Commerce: Member of the Board of Directors, The OP-Pohjola Group Central Cooperative: Chairman of the Executive Board, Unico Banking Group: Member of the Steering Committee
Mr Tony Vepsäläinen	Vice Chairman, President of the OP-Pohjola Group Central Cooperative, Member of the Compensation Committee	The OP-Pohjola Group Central Cooperative: Chairman of the Executive Board, Luottokunta: Chairman of the Board of Directors
Ms Merja Auvinen	Managing Director, Savonlinnan Osuuspankki, Member of the Audit Committee	
Mr Jukka Hienonen	President and CEO, Finnair Corporation	Ilmarinen Mutual Pension Insurance Company: Member of the Board of Directors, SRV Group plc: Member of the Board of Directors, Helsinki Region Chamber of Commerce:

		Member of delegation,
Mr Simo Kauppi	Managing Director, Länsi-Suomen Osuuspankki, Member of the Risk Management Committee	Satukunnan Osuuspankkiliitto: Vice Chairman of the Board of Directors
Ms Satu Lähteenmäki	Professor, Vice Rector of Turku School of Economics Member of the Compensation Committee	Raisio plc: Member of the Board of Directors, SITRA: Member of the Board of Directors, Turku School of Economics Vice Chairman of the Board of Directors Member of the Scientific Advisory Council for Public Administration set up the Ministry of Finance
Mr Markku Vesterinen	President and CEO, Suomi Mutual Life Assurance Company Member of the Risk Management Committee	Ilmarinen Mutual Insurance Company: Member of the Board of Directors, Finsilva Oyj: Member of the Board of Directors
Mr Tom von Weymarn	Member of the Audit Committee	Boardman Ltd: Partner, Hartwall Capital: Advisory Board Member, Hydrios Biotectchnology Oy: Member of the Board of Directors, Industri-Kapital Ab: Senior Advisor, Lännen Tehtaat plc: Chairman of the Board of Directors, Sibelius Academy: Member of the Board of Directors, TeliaSonera AB: Chairman of the Board of Directors, Turku Science Park Ltd: Chairman of the Board of Directors

Secretary of the Board of Directors

Mr Markku Koponen Senior Vice President,
Deputy Member of the Executive Board
of the Central Cooperative

The business address of each of the members of the Board of Directors and Pohjola Bank is Teollisuuskatu 1b, FIN-00510 Helsinki, Finland.

Conflicts of Interests

There are no potential conflicts of interest between the duties to the Bank of the members of the Bank's administrative, management and supervisory bodies and their other duties and private interests.

Corporate Governance in Pohjola Bank

In its operations, Pohjola Bank complies with Finnish legislation. In addition to the Finnish Companies Act (*Osakeyhtiölaki* 21.7.2006/624 as amended), Pohjola Bank complies with regulations governing public limited companies, financial services companies and insurance companies, and its Articles of Association. Pohjola also complies with the Finnish Corporate Governance Code (the "Code"), approved by the Securities Market Association in October 2008, and the Insider Guidelines issued by NASDAQ OMX Helsinki.

However, Pohjola Bank's corporate governance and control system deviates from the following Code recommendations for reasons attributable to the Group structure and intense cooperation between Pohjola Bank and OP-Pohjola Group's other entities:

- Recommendations 8 and 10: election and term of Board members (the General Meeting of Pohjola Bank's shareholders does not elect persons acting as the Board of Directors' Chairman and Vice Chairman, as the Board of Directors is chaired by the Chairman of the Central Cooperative's Executive Board and the Central Cooperative Executive Board Vice Chairman acts as the Board's Vice Chairman, in accordance with the Cooperative Bank Act and Pohjola Bank's Articles of Association. The term of the Chairman and Vice Chairman is valid until further notice);
- Recommendation 14: independence of Board members (the majority of Board members are not independent of Pohjola Bank because they are directors within the OP-Pohjola Group);
- Recommendation 26: independence of members of the Audit Committee (not all of the Audit Committee members are independent of Pohjola Bank because they are directors within the OP-Pohjola Group); and
- Recommendation 32: independence of members of the Remuneration Committee (the majority of Remuneration Committee members are not independent of Pohjola Bank because they are directors within the OP-Pohjola Group).

Shares and Major Shareholders

Pohjola Bank plc's shares are divided into Series A and Series K shares. Series A shares are available for subscription by the general public and are quoted on NASDAQ OMX Helsinki (the Helsinki Stock Exchange). While Series A shares have been quoted on the Main List of the Helsinki Stock Exchange since 1989, Series K shares represent unlisted shares held only by OP-Pohjola Group's entities. Series A shares entitle their holders to an annual dividend which is at least three (3) cents higher than the dividend declared on Series K shares.

30 September 2009	Series A	Series K	Total
Share capital, EUR	336,076,920	91,540,543	427,617,463
No. of shares	251,144,690	68,406,725	319,551,415
Percentage of share capital (%)	78.60	21.40	100.0
Votes per share	1	5	593,178,315
Percentage of votes (%)	42.30	57.70	100.0

In accordance with the conversion clause in Pohjola Bank's Articles of Association, in 2009 the Member Cooperative Banks converted 401 060 Series K shares into an equivalent number of Series A shares. The share conversion did not have an effect on the share capital.

As at September 2009, there were approximately 320 million shares, being approximately 116 million shares more than the previous year. Series A shares represented 78.60 per cent. of all shares. At the end of September 2009, Pohjola Bank had no own shares and the General Meeting has not given an authorisation to acquire own shares.

As at 30 September, 2009, Pohjola Bank had 35,099 registered shareholders. The largest individual shareholder was the parent company of Pohjola Bank, the Central Cooperative, which held 29.98 per cent. of the shares and 57.04 per cent. of the votes in Pohjola Bank. The share of nominee registered shares was 14.7 per cent. with a total of 47,044,335, which is 29.5 per cent. more than the previous year.

Principal Shareholders

The following table sets forth the largest shareholders of the Bank and their holdings on 30 September, 2009. On 30 September, 2009 there were 159,564,128 Series A shares and 43,786,772 Series K shares.

Major Shareholders According to the Number of Shares on September 30, 2009:

	Number of Shares		Total Number of Shares	%	%
	Series A	Series K			
The Central Cooperative	35,157,348	60,641,131	95,798,479	29.98	57.04
Mutual Life Insurance Company Suomi	32,738,672	–	32,738,672	10.25	5.52
Ilmarinen Mutual Pension Insurance Company	31,955,142	–	31,955,142	10.00	5.39
Nordea Bank Finland Abp (nom. reg.)	21,761,845	–	21,761,845	6.81	3.67
Skandinaviska Enskilda Banken Ab (nom. reg.)	20,669,472	–	20,669,472	6.47	3.48
Svenska Handelsbanken Ab, Filiälverksamheten i Finland (nom. reg.)	4,200,326	–	4,200,326	1.31	0.71
Oulun Osuuspankki	2,511,450	1,590,916	4,102,366	1.28	1.76
OP-Eläkekassa	2,955,529	–	2,955,529	0.92	0.50
OP-Eläkesäätiö	2,828,568	–	2,828,568	0.89	0.48
Turun Seudun Osuuspankki	1,996,257	31,364	2,027,621	0.63	0.36
Total	<u>251,144,690</u>	<u>68,406,725</u>	<u>319,551,415</u>	<u>100.00</u>	<u>100.00</u>

On 30 September, 2009, the total number of nominee registered Series A shares was 47,044,335, which constituted 14.7 per cent. of all shares and 7.9 per cent. of all votes.

Major Shareholders of Series A-shares on September 30, 2009

	% of series A-shares
The Central Cooperative	16.3
Mutual Life Insurance Company Suomi	15.2
Ilmarinen Mutual Pension Insurance Company	14.9
Nordea Bank Finland Abp (nom. reg.)	10.1
Skandinaviska Enskilda Banken Ab (nom. reg.)	8.2
Svenska Handelsbanken Ab, Filiälverksamheten i Finland (nom. reg.)	1.9
OP-Eläkekassa	1.4
OP-Eläkesäätiö	1.3
Oulun Osuuspankki	1.2
Turun Seudun Osuuspankki	0.9

Material Contracts

Pohjola Bank does not have any material contracts that are not entered into in the ordinary course of Pohjola Bank's business, which could result in any group member being under an obligation or entitlement that is material to the Pohjola Bank's ability to meet its obligations to security holders in respect of the securities being issued.

Legal Proceedings

Pohjola Bank is not involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Pohjola Bank is aware), during the previous 12 months which may have, or have had in the recent past, significant effects on Pohjola Bank Group's financial position or profitability. Pohjola Bank is party to an dispute concerning the redemption price for the shares of former Pohjola Group plc, however Pohjola Bank does not expect this dispute to have a significant effect on Pohjola Bank Group's financial position or profitability.

Recent Events

Rating Downgrade

On 8 September, 2009 Moody's Investors Service ("Moody's") announced that it was downgrading Pohjola Bank's long-term rating and its bank financial strength rating ("BFSR"). At the same time, the Bank's short-term rating was affirmed.

Moody's also downgraded OP-Pohjola Group's BSFR and Pohjola Insurance Ltd's insurance financial strength (ISFR).

According to Moody's, the downgrade reflected the further deterioration of the Finnish economy and its possible effects on the Bank.

Rights Offering

On the basis of the authorisation given by the Annual General Meeting of 27 March 2009, Pohjola Bank's Board of Directors resolved to offer up to 91,179,502 new Series A shares and up to 25,021,013 new Series K shares (collectively, the "Offer Shares") for subscription primarily by Pohjola Bank's existing shareholders.

Key information regarding the rights offering was as follows: Pohjola Bank launched a rights offering of EUR 307.9 million with preferential rights for Pohjola Bank's existing shareholders; the subscription price for new Series A shares and new Series K shares was EUR 2.65 per share; four (4) new Series A or Series K shares were issued for every seven (7) existing Series A or Series K shares held, respectively; the record date was 2 April 2009; trading in A-subscription rights commenced on 7 April 2009 and ended on 17 April 2009; and the subscription period was from 7 April 2009 to 24 April 2009.

In addition, Pohjola Bank's largest shareholders the Central Cooperative, Suomi Mutual Life Assurance Company and Ilmarinen Mutual Pension Insurance Company had each committed to subscribe for their pro rata share of the Offer Shares, these commitments representing 50.2 per cent. of the shares offered in the rights offering. The Central Cooperative also committed to subscribe for any Offer Shares that remain unsubscribed for in the rights offering.

In the rights offering, a total of 116,200,515 shares were offered for subscription, with Series A shares accounting for 91,179,502 and Series K shares for 25,021,013. The final results of the rights offering showed the subscription of approximately 116.2 million Series A shares and approximately 27.7 million Series K shares. Approximately 99.6 per cent. of all Series A shares offered and approximately 100.0 per cent. of all Series K shares offered were subscribed in the primary subscription. This represented a total subscription level of approximately 127.4 per cent. of all Series A shares offered and approximately 110.6 per cent. of all Series K shares offered.

Following the registration of the Offer Shares in the Trade Register, the number of Pohjola shares totals 319,551,415, with Series A shares accounting for 250,743,630 and Series K shares for 68,807,785. All of the Offer Shares have been fully paid up.

INFORMATION ON OP-POHJOLA GROUP AND THE CENTRAL COOPERATIVE

Information Related to OP-Pohjola Group and the Central Cooperative

The amalgamation of cooperative banks is a unique entity in Finland that is defined in the Cooperative Bank Act as well as in the Credit Institution Act. It is formed by OP-Pohjola Group Central Cooperative, Pohjola Bank which acts as the central bank of the member cooperative banks, other member credit institutions of the central institution, the companies belonging to the consolidation groups of the central institution and the member credit institutions as well as credit and financial institutions and service companies in which one or more of the above-mentioned entities alone or jointly hold a total of more than half of the voting rights. According to the Cooperative Bank Act the amalgamation of the cooperative banks is monitored on a consolidated basis, and the central institution and its member credit institutions are ultimately responsible for each other's liabilities and commitments as clarified further below. OP-Pohjola Group is comprised of the amalgamation of the cooperative banks and those companies in which entities belonging to the amalgamation hold more than half of the total votes. The extent of OP-Pohjola Group differs from that of the amalgamation of the cooperative banks in that OP-Pohjola Group subsumes companies other than credit and financial institutions or service companies. The most important of these are the insurance companies with which the amalgamation forms a financial and insurance conglomerate.

Within OP-Pohjola Group's central institution, the Central Cooperative, the highest decision-making authority rests with the cooperative meeting and the Supervisory Board elected by it. Operational decision-making authority is exercised by the Executive Board, which is elected by the Supervisory Board. The Central Cooperative was entered into the trade register maintained by the National Board of Patents and Registration in Finland on 23 May, 1997. The Central Cooperative's business identity code is 0242522-1. The Central Cooperative's address is OP-Pohjola Group Central Cooperative, Teollisuuskatu 1b, FI-00510 Helsinki, Finland and its telephone number is +358 10 252 010. OP-Pohjola Group's financial period is the calendar year.

OP-Pohjola Group's Joint Responsibility under the Cooperative Bank Act

OP-Pohjola Group comprises (a) the Central Cooperative as OP-Pohjola Group's central institution, (b) 221 Member Cooperative Banks, (c) Pohjola Bank plc as the central bank of OP-Pohjola Group, (d) the companies belonging to the consolidation groups of the Central Cooperative and (e) the Member Credit Institutions, other than the Cooperative Banks, described below (together, the "OP-Pohjola Group" or the "Group").

In accordance with Section 3 of the Cooperative Bank Act, the Member Credit Institutions consist of Pohjola Bank plc, Helsinki OP Bank plc, OP-Kotipankki Oyj, OP Mortgage Bank and the Member Cooperative Banks (together, the "Member Credit Institutions"). These Member Credit Institutions and the Central Cooperative are responsible for each other's liabilities and commitments in accordance with the Cooperative Bank Act. The Supervisory Board of the Central Cooperative takes decisions on admitting new members.

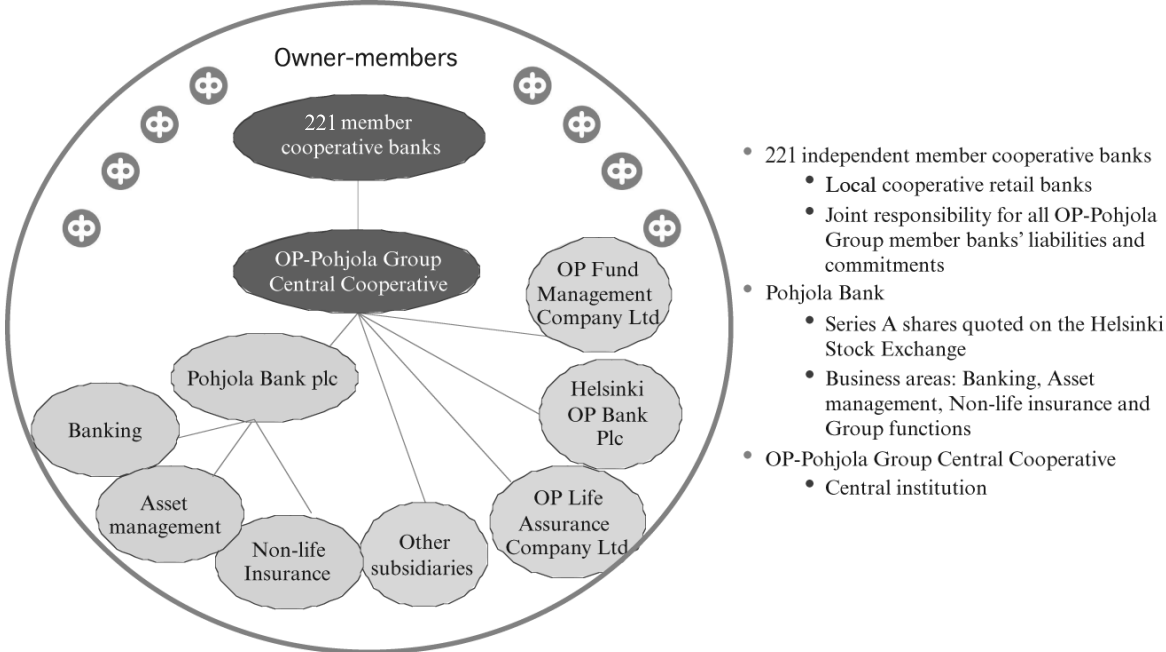
OP-Pohjola Group does not form a corporate group as defined in the Accounting Act (*Kirjanpitolaki* 30.12.1997/1336, as amended) or a consolidation group as defined in the Credit Institution Act. Under Finnish laws on bank supervision, OP-Pohjola Group is monitored on a consolidated basis.

Under the Cooperative Bank Act, the Central Cooperative is responsible for issuing to the Member Credit Institutions guidelines with the aim of ensuring their liquidity, capital adequacy and risk management, and guidelines for the application of coherent accounting principles in compiling the consolidated financial statements of OP-Pohjola Group. The Central Cooperative is also responsible for the Internal Capital Adequacy Assessment Process ("ICAAP") for OP-Pohjola Group. The Central Cooperative also has an obligation to monitor the operations of the Member Credit Institutions and their consolidation groups, and to issue directions concerning the internal supervision of the Member Credit Institutions. The obligation to issue guidelines and exercise supervision does not however give the Central Cooperative the power to determine the business operations of the Member Credit Institutions or the Member Cooperative Banks. Each Member Credit Institution and Member Cooperative Bank carries on its business independently within the scope of its own resources.

In accordance with Section 5 of the Cooperative Bank Act, a Member Credit Institution may not, in the course of its activities, take a risk of such magnitude that it constitutes a material danger to the capital adequacy calculated for the institution or OP-Pohjola Group as a whole. The Central Cooperative must have risk monitoring systems that are adequate in respect of the operations of the entire OP-Pohjola Group and, correspondingly, each individual Member Credit Institution must have risk monitoring systems that are adequate in respect of its operations. In calculating customer risks and the minimum amount of own funds, OP-Pohjola Group is considered as one credit institution. OP-Pohjola Group’s consolidated liquidity must be safeguarded adequately in relation to OP-Pohjola Group’s operations.

If, due to losses, a Member Credit Institution’s own funds are depleted to such a low level that the legal requirements for being placed in liquidation are fulfilled, the Central Cooperative has the right to collect from the Member Credit Institutions additional contributions, on the grounds set forth in the Central Cooperative’s statutes, the maximum amount of such contributions during the financial year being five thousandths of each Member Credit Institution’s aggregate total assets in its most recently approved balance sheet. These contributions are to be used in carrying out the support actions necessary to prevent the Member Credit Institution from being placed in liquidation. Pursuant to Sections 45 and 46 of the Cooperative Bank Act, the Central Cooperative and the Member Credit Institutions are jointly and severally responsible for the liabilities and commitments of the Central Cooperative or a Member Credit Institution which is in liquidation in the event that these debts cannot be paid from the funds of the entity in liquidation. The liability is apportioned amongst the Central Cooperative and the Member Credit Institutions in proportion to the total assets in their most recently approved balance sheets.

The Business Activity Structure of OP-Pohjola Group and Pohjola Bank Group



For more information on OP-Pohjola Group and Pohjola Bank Group see the section entitled “The Company Structure of OP-Pohjola Group and Pohjola Bank Group” on page 65.

OP-Pohjola Group Central Cooperative’s Subsidiaries

Pohjola Bank is a commercial bank which acts as OP-Pohjola Group’s central bank and is responsible for OP-Pohjola Group’s liquidity and for handling its international operations. Pohjola Bank’s three business segments are Banking Services, Asset Management and Non-life Insurance.

Helsinki OP Bank Plc is engaged in retail banking in the Helsinki Metropolitan Area.

Certain types of information and telecommunications technology procurement operations of OP-Pohjola Group are combined in the Central Cooperative’s subsidiary OP IT Procurement Ltd.

The Group's life and pension insurance operations and their development have been centralised within OP Life Assurance Company Ltd. OP Life Assurance Company Ltd's product portfolio includes life, pension, insurance-related investment and risk insurance services.

OP Fund Management Company Ltd manages OP-Pohjola Group's mutual funds. It makes use of the service network of the Member Cooperative Banks and Helsinki OP Bank Plc as well as OP-Pohjola Group's eServices in selling fund units.

OP Mortgage Bank Plc (in Finnish *OP-Asuntoluottopankki Oyj*), acting via the Member Cooperative Banks, grants long-term housing loans against full collateral. OP Mortgage Bank funds its operations by issuing covered notes under the EUR 10,000,000,000 Euro Medium Term Covered Note Programme.

OP-Kotipankki Oyj provides unsecured consumer loans to the Member Cooperative Banks' private customers.

Other Institutions

OP Pension Fund takes care of OP-Pohjola Group's statutory pension security and OP Pension Foundation handles the supplementary pension security for persons covered by it.

OP Bank Group Mutual Insurance Company is OP-Pohjola Group's internal insurance company. It is a part of the Group's internal risk management system.

Direct Ownership Structure within OP-Pohjola Group

	Member Cooperative Banks	OP-Pohjola Group Central Cooperative	Pohjola Bank Group	Group total
Share of ownership, 30 September 2009				
OP-Pohjola Group Central Cooperative	100.0		0.0	100.0
Pohjola Bank plc	14.4	29.98		44.38
Pohjola Insurance Ltd			100.0	100.0
Eurooppalainen Insurance Company Ltd			100.0	100.0
A-Insurance Ltd			100.0	100.0
Seesam Companies			100.0	100.0
Pohjola Finance Ltd			100.0	100.0
Pohjola Asset Management Ltd			85.0	85.0
Pohjola Corporate Finance Ltd			60.0	60.0
Pohjola Property Management Ltd			100.0	100.0
Pohjola Capital Partners Ltd			65.0	65.0
Pohjola IT-Procurement Ltd			100.0	100.0
OP Life Assurance Company Ltd	15	76	9.0	100.0
Helsinki OP Bank Plc		100.0		100.0
OP-Kotipankki Oyj		100.0		100.0
OP-Mortgage Bank Plc		100.0		100.0
OP Fund Management Company Ltd		100.0		100.0
OP IT Procurement Ltd		100.0		100.0
OP Bank Group Mutual Insurance Company	78.5	21.5		100.0

Line of Business and Main Markets

The companies belonging to OP-Pohjola Group are engaged in financial services and related operations in accordance with the internal division of responsibilities within OP-Pohjola Group mainly in the domestic market. The Member Cooperative Banks concentrate on customer-centred businesses whereas the Central Cooperative, which acts as a development and service centre, promotes and supports their operations, and is also responsible for group guidance as well as supervision of their interests.

The purpose of the Central Cooperative as OP-Pohjola Group's central unit is, for example, according to Section 2 of the Central Cooperative's statutes, for example to contribute and support impartially its Member Cooperative Banks and OP-Pohjola Group's development and cooperation. With this purpose the Central Cooperative develops and takes care of Member Cooperative Banks and OP-Pohjola Group's centralised services, develops OP-Pohjola Group's business activities, takes care of OP-Pohjola Group's strategic guidance and of its interests has responsibility (as the central unit) for the issue of guidelines and exercises supervision and acts as the strategic owner entity of OP-Pohjola Group.

The acquisition of Pohjola Group plc by Pohjola Bank furthered and strengthened the strategic objective of OP-Pohjola Group in becoming the leading financial services group in Finland. The acquisition expanded OP-Pohjola Group's activities into the non-life insurance market and reinforces its position in asset management, mutual funds and life insurance.

OP-Pohjola Group had a market share of 33.8 per cent. in deposits at the end of year 2008. OP-Pohjola Group's loan portfolio stood at EUR 51.0 billion at the end of year 2008, equating to a market share of 32.0 per cent. in loans. OP-Pohjola Group's market share of the mutual funds market was 22.5 per cent. at the end of 2008. OP-Pohjola Group's share of insurance premium income was 29.3 per cent. in life insurance at the end of year 2008. OP-Pohjola Group's market share of premiums written in non-life insurance in 2008 was 27.5.¹

At the end of 2008, OP-Pohjola Group operated in approximately 604 locations and 297 of these offered both banking and non-life insurance services. The customer base of 3.3 million banking customers and 1.8 million non-life insurance customers are served through an extensive distribution network in Finland. OP-Pohjola Group's multichannel service network comprises outlets, online services and contact centre facilities.

At the end of 2008, OP-Pohjola Group had a payroll of 12,752 employees.

Member Cooperative Banks

The Member Cooperative Banks are independent, local deposit banks that are engaged in retail banking (the "**Member Cooperative Banks**"). In their area of operations they offer modern and competitive banking services to household customers, small and medium-sized business customers, agricultural and forestry customers and to public sector entities. Corresponding retail banking operations in the Greater Helsinki area are carried out by the Central Cooperative's wholly-owned subsidiary Helsinki OP Bank plc.

Management of OP-Pohjola Group Central Cooperative

In the Central Cooperative, the central institution of OP-Pohjola Group, the highest decision making authority rests with the general meeting and the Supervisory Board elected by it. Operational decision-making authority rests with the Executive Board, which is elected by the Supervisory Board and is composed mainly of management executives.

Supervisory Board of OP-Pohjola Group Central Cooperative

The Central Cooperative's Supervisory Board has 34 members (according to the statutes, it must have a minimum of 32 and maximum of 36). Mr Paavo Haapakoski acts as its chairman and Mr Jaakko Pehkonen and Mr Jukka Hulkkonen act as deputy chairmen. The task of the Supervisory Board is to oversee the corporate governance of the Central Cooperative as managed by the Executive Board and the President, and to ensure that the Central Cooperative's operations are managed in a professional and prudent manner in accordance with the Cooperative Bank Act and in the best interests of the Central Cooperative and OP-Pohjola Group. The audit duty falling within the competence of the Supervisory Board is exercised by the audit committee appointed by the Supervisory Board. Finland is divided into 16 federations of Member Cooperative Banks, which are regional cooperative bodies for the Member Cooperative Banks. They appoint the candidates from their areas to the Supervisory Boards of the Central Cooperative.

Executive Board

The Executive Board's task as the board of directors of the Central Cooperative is to manage the Central Cooperative's operations in accordance with law and the Central Cooperative's statutes. The Executive Board comprises a chairman who is called the Chief Executive Officer, the President, who acts as the Executive Board's vice chairman as well as four other members (according to the statutes, a minimum of two and a maximum of four) and two deputy members (according to the statutes, a maximum of four).

¹ In respect of the loans and deposits, these statements are sourced from the statistics of the Bank of Finland and the Federation of Finnish Financial Services. In respect of the mutual fund market, the statements are sourced from the Finnish Association of Mutual Funds. In respect of non-life insurance and life insurance, the statements are sourced from the Federation of Finnish Financial Services.

As at the date of this Base Prospectus, the Executive Board is made up of the following members:

Ordinary Members:

- | | |
|---|--|
| Mr Reijo Karhinen,
<i>Chairman of the Executive Board</i> | – Executive Chairman of OP-Pohjola Group |
| Mr Tony Vepsäläinen,
<i>Vice Chairman of the Executive Board</i> | – President of the Central Cooperative |
| Mr Erkki Böös | – Senior Executive Vice President and Head of Customer Care Services and Sales Channels of the Central Cooperative |
| Mr Harri Luhtala | – Executive Vice President and Head of Finance and Risk Management of the Central Cooperative |
| Mr Harri Nummela | – Executive Vice President and Head of Banking and Investment Services of the Central Cooperative |
| Mr Heikki Vitie | – Deputy President and Head of ICT and Human Resources Services of the Central Cooperative |

Deputy Member:

- | | |
|----------------------|--|
| Mr Markku Koponen | – Executive Vice President and Head of Legal Affairs and PA of the Central Cooperative |
| Ms Carina Geber-Teir | – Senior Vice President, Corporate Communications, OP-Pohjola Group |

Mr Markku Niinikoski, Chief Audit Executive, also attends the Executive Board's meetings.

The office address of the members and deputy members of the Executive Board is OP-Pohjola Group Central Cooperative, Teollisuuskatu 1 b, FI-00510 Helsinki, Finland.

As at 31 December, 2008, the members and deputy members of the Central Cooperative's Executive Board owned a total of 30, 275 Pohjola Bank Series A shares.

President

The Central Cooperative has a president appointed by the Supervisory Board. The duty of the president is to administer the Central Cooperative's day-to-day administration in accordance with the guidelines and regulations set by the Executive Board. Currently the president of the Central Cooperative is Mr Tony Vepsäläinen, office address: OP-Pohjola Group Central Cooperative, Teollisuuskatu 1 b, FI-00510 Helsinki, Finland.

The Deputy President is Mr Heikki Vitie.

Conflicts of Interest

The members of OP-Pohjola Group's administrative and management bodies do not have conflicts of interest between any duties to OP-Pohjola Group and their private interests and/or their other duties.

Auditors

The auditor during the last two financial periods was: KPMG Oy Ab, Mannerheimintie 20 B, FI 00101 Helsinki, Finland.

Executive Board's Responsibility

The Executive Board is collectively responsible for the matters upon which it decides jointly in its meetings. In addition, the members and deputy members of the Executive Board have an operational responsibility for the functional areas and organisational entities that are designated as their individual responsibility.

Owner-membership

The cooperative movement is OP-Pohjola Group's ideological foundation and the starting point for its strategic objectives. OP-Pohjola Group has over four million customers, of which approximately 1,270,000 are the Member Cooperative Banks' owner-members. Owner-members are customers who use

the services of a Member Cooperative Bank and are also members of the said Member Cooperative Bank. It follows naturally from this combination of ownership and customership that the benefit and added value of each bank's operations are channelled, via the customer relationship, to owner-members and customers. The fundamental objective of cooperative operations is thus not to maximise profits for the owners but to provide, as competitively as possible, the services which the cooperative's owner members and customers need.

Owner-membership is a distinctive feature of the Member Cooperative Bank customer relationship. Owner-membership offers a chance to participate in the relevant Member Cooperative Bank's administration and decision making. In addition, owner-membership brings benefits through the focusing of one's banking matters with a Member Cooperative Bank. The Member Cooperative Banks have the corporate form of a cooperative, in which the basic values underlying decision making include the one member, one vote principle. Within the Member Cooperative Banks, the highest decision-making authority is exercised by the cooperative meeting or assembly, which elects a Supervisory Board for the Member Cooperative Bank. The Supervisory Board elects an Executive Board for the Member Cooperative Bank. A person can become an owner-member of a Member Cooperative Bank by paying a cooperative contribution and applying for membership. The owner-members, who are made up primarily of private individuals, elect from among their number the administrative staff of their own bank. The Member Cooperative Banks' basic capital consists of the cooperative capital and any supplementary cooperative capital. The total amount of cooperative capital investments by owner-members was EUR 732 million as at 30 September 2009.

Material Contracts

OP-Pohjola Group does not have any material contracts that are not entered into in the ordinary course of OP-Pohjola Group's business, which could result in any Member Credit Institution being under an obligation or right that materially affects the Issuer's ability under the joint responsibility to meet its obligations to Instrument holders in respect of the Instruments issued.

Legal Proceedings

OP-Pohjola Group is not involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which OP-Pohjola Group is aware), during the previous 12 months which may have, or have had in the recent past, significant effects on OP-Pohjola Group's financial position or profitability.

Risk-bearing Capacity and Capital Adequacy

The most important objective of OP-Pohjola Group's risk management is to safeguard the risk-bearing capacity of all the institutions belonging to OP-Pohjola Group and to ensure that in their operations they do not assume such a large risk that would jeopardise the profitability, capital adequacy or continuity of operations of the institutions or the entire OP-Pohjola Group. The task of OP-Pohjola Group's risk management is to safeguard that the OP-Pohjola Group is not exposed to excessive risks that might endanger the profitability, solvency or continuity of the operations of an institution or the entire OP-Pohjola Group and to identify threats and opportunities that affect the implementation of the strategy. OP-Pohjola Group's risk management as well as its risk management methods and information systems are developed purposefully on the basis of OP-Pohjola Group's business needs, taking into account changes in the operating environment and regulatory requirements.

OP-Pohjola Group as a financial conglomerate measures OP-Pohjola Group's risk-bearing capacity by the ratio of own funds to the minimum amount of own funds as defined in the Act on the Supervision of Financial and Insurance Conglomerates. OP-Pohjola Group's risk limit for this capital adequacy ratio is 1.2, whereas the Act specifies a minimum level of 1. As at 31 December 2008, the ratio of own funds to the minimum amount was 1.40, compared with 1.52 at 31 December 2007. The OP-Pohjola Group's own funds at 31 December 2008 were EUR 710 million greater than the Group's risk limit would have required, and EUR 1,406 million greater than the statutory limit. As at 31 December 2007 the corresponding figures were EUR 1,074 million and EUR 1,753 million. A strong risk-bearing capacity acts as a buffer against unexpected losses and creates a basis for the growth of business operations.

OP-Pohjola Group's capital adequacy and Tier 1 ratio according to the Credit Institution Act at the end of 2008 was 12.6 per cent, 0.4 per cent. higher than at the end of 2007 (both the capital adequacy ratio and Tier 1 capital adequacy stood at 12.2 per cent. at the end of 2007 (previously reported 2007 figures have been converted into comparable Basel II figures)). The result for the reporting

period ended 31 December 2008 less the estimated dividend payout is included in Tier 1 capital. OP-Pohjola Group's Tier 1 capital increased by 4.9 per cent. to EUR 4.9 billion and capital resources requirement increased by 1.3 per cent. to EUR 3.1 billion. Total deductions from Tier 1 and 2 capitals as at 31 December 2008 were EUR -2,271 million, of which investment in insurance companies, financial institutions and other companies totalled EUR -2,165 million and shortfall of expected losses over impairments totalled EUR -106 million. Tier 2 capital was reduced to zero after these deductions (totaling EUR -997 million) and deductions in excess of the Tier 2 capital were made from Tier 1 capital (totaling EUR -1,275 million). At the end of 2008, capital resources were reduced by a fair value reserve that was EUR -84 million. At the end of 2007, the comparable fair value reserve increased the OP-Pohjola Group's capital resources by EUR 18 million.

Capital Adequacy according to the Credit Institution Act

EUR million (31 December 2008)

	Basel II 31 Dec 2008	Basel II 31 Dec 2007	Basel I 31 Dec 2008	Basel I 31 Dec 2007	Basel I 31 Dec 2006	Basel I 31 Dec 2005
Own fund						
Tier 1	4,884	4,656	4,884	4,826	4,271	3,951
Tier 2	0	0	0	802	886	760
Mandatory Adjustments	–	–	–	(360)	(349)	(302)
Total	4,884	4,656	4,884	5,268	4,808	4,409
Risk-weighted items, total	38,746	38,245	43,482	38,245	33,718	30,194
Capital resources requirement						
Credit and counterparty risk	2,832	3,011	3,403	3,011	–	–
Market risk	47	49	75	49	–	–
Operational risk	221	–	–	–	–	–
Total	3,100	3,060	3,478	3,060	–	–
Capital adequacy ratio,%	12.6	12.2	11.2	13.8	14.3	14.6
Tier 1 ratio, %	12.6	12.2	11.2	12.6	12.7	13.1

On 1 January 2008, OP-Pohjola Group adopted a method recommended by the Financial Supervisory Authority to include insurance company investments in the calculation of capital adequacy as referred to in the Credit Institution Act. After this change, half of the balance sheet value of the insurance company investments will be deducted from the OP-Pohjola Group's Tier 1 capital and the other half from Tier 2 capital. As a result of this change, the OP-Pohjola Group's capital resources on 31 December 2007 converted into comparable figures were reduced by some EUR 378 million, which lowered the capital adequacy ratio by about 0.9 percentage points to 12.9 per cent. The change had no major effect on the amount of Tier 1 capital.

The Finnish Financial Supervisory Authority issued in January 2009 its new interpretation on the calculation of consolidated capital resources, the amendments relating to how insurance institutions are treated in terms of capital resources. The OP-Pohjola Group has adjusted the calculation of its capital resources in accordance with the Finnish Financial Supervisory Authority. This change in the interpretation reduced the OP-Pohjola Group's capital resources reported on 31 December 2007 by EUR 234 million and the capital adequacy ratio by about 0.6 percentage points. The OP-Pohjola Group's capital resources were EUR 491 million higher on 31 December 2008 than they would have been if the former calculation principles had been applied.

The adoption of capital adequacy calculation according to Basel II did not affect OP-Pohjola Group's capital resources.

As at 31 December 2008, insurance company investments, deducted in equal proportions from Tier 1 and 2 capital, came to EUR 2,159 million, compared to EUR 1,813 million as at 31 December 2007. On the basis of the exemptions granted by the Finnish Financial Supervisory Authority, investments by OP-Pohjola Group entities in venture capital funds, managed by Pohjola Capital Partners, are treated in the capital adequacy calculation in the same way as investments in shares in business or industrial corporations. The exemption is in force until December 31, 2009.

As at 31 December 2008, the ratio of hybrid capital to Tier 1 capital before adjustments was 3.6 per cent., compared to 4.6 per cent. as at 31 December 2007. Tier 1 capital does not include equity capital growth resulting from the IFRS-compliant measurement of pension liabilities and the assets covering them, and from the measurement at fair value of investment property.

Capital adequacy under the Act on the Supervision of Financial and Insurance Conglomerates

On 12 September 2005, the Bank purchased the shares that Suomi Mutual Life Assurance Company and Ilmarinen Mutual Pension Insurance Company held in Pohjola Group plc (which was the parent company of Pohjola Insurance). After this acquisition, OP-Pohjola Group became a financial conglomerate according to the Act on the Supervision of Financial and Insurance Conglomerates (*Laki rahoitus- ja vakuutusryhmittymien valvonnasta* 30.7.2004/699, as amended).

OP-Pohjola Group's capital adequacy pursuant to the Act on the Supervision of Financial and Insurance Conglomerates is calculated using the consolidation method, whereby assets included in capital resources but not included in equity capital, under the regulations for the banking or insurance industry, are added to the equity capital in the conglomerate's balance sheet. Capital resources may not include items not available for covering the losses of other companies belonging to the conglomerate.

Own funds and capital adequacy calculated in accordance with the Act on the Supervision of Financial and Insurance Conglomerates

EUR million (31 December 2008)

	31 Dec 2008	31 Dec 2007	31 Dec 2006	31 Dec 2005
OP-Pohjola Group's equity capital	5,215	5,638	5,124	4,757
Business-segment-specific items	1,873	1,607	1,577	1,518
Goodwill and intangible assets	(1,106)	(1,116)	(1,133)	(1,059)
Equalisation provision	(481)	(256)	(219)	(206)
Other items included in equity capital and business-segment-specific items, but not included in the conglomerate's capital resources	(619)	(728)	(664)	(622)
Conglomerate's capital resources, total	4,882	5,145	4,685	4,388
Regulatory capital requirement for credit institutions	3,115	3,037	2,663	2,335
Regulatory capital requirement for insurance operations	361	355	339	254
Total minimum amount of conglomerate's capital resources	3,476	3,392	3,002	2,589
Conglomerate's capital adequacy	1,406	1,753	1,682	1,799
Conglomerate's capital adequacy ratio (capital resources/minimum of capital resources)	1.40	1.52	1.56	1.69

Based on its interpretation issued on 31 March 2008, the Finnish Financial Supervisory Authority altered the manner in which OP-Pohjola Group Mutual Insurance Company's equalisation provision is to be applied in capital adequacy calculations. As a result of this change, the capital adequacy referred to in the Act on the Supervision of Financial and Insurance Conglomerates was reduced by EUR 196 million on 31 March 2008. However, this has no material effect on the OP-Pohjola Group's actual risk-bearing capacity.

OP-Pohjola Group key indicators

	2008	2007	Change⁴
Earnings before tax, EUR million	372	1,005	(63)
Banking and Investment Services	532	722	(26)
Non-life Insurance	55	181	(70)
Life Insurance	(162)	129	
Bonuses paid to customers	132	83	59
Return on equity, %	4.1	13.7	(9.6)
Return on equity at fair value, %	(6.0)	10.9	(16.8)
Cost/income, %			
(Banking and Investment Services)	54	49	6
Average personnel	12,615	12,378	1.9
	31 Dec 2008	31 Dec 2007	Change⁴
Total assets, EUR billion	75.7	65.7	15.3
Capital adequacy ⁵	12.6	12.2	0.4
Tier 1 ratio, %	12.6	12.2	0.4
Ratio of own funds to the minimum amount of own funds	1.40	1.52	(0.12)
Non-performing receivables/loan and guarantee portfolio, %	0.4	0.3	0.1
Market share, %			
Of total loans	32.1	31.1	1.0
Of total deposits	33.8	32.3	1.5
Of capital invested in mutual funds	22.5	21.4	1.1
Of insurance savings through life and pension insurance	19.4	19.9	(0.5)
	Jan-Dec 2008	Jan-Dec 2007	Change⁴
Of premiums written in life and pension insurance, %	29.3	30.8	(1.4)

4 Percentage point change, except for earnings before tax, bonuses paid to customers, total assets and average number of personnel, for which the change is stated in per cent, as well as the ratio of own funds to the minimum amount of own funds, for which the change is stated as a change in the ratio.

5 Pursuant to the Credit Institution Act. Year 2007 figures have been converted into comparable figures.

6 Pursuant to the Act on the Supervision of Financial and Insurance Conglomerates.

TAXATION

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria, Belgium and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent.. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. Belgium will replace this withholding tax with a regime of exchange of information to the member state of residence as from 1 January 2010.

A number of non-EU countries, and certain dependent or associated territories of certain Member States, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

On 13 November 2008 the European Commission published a proposal for amendments to the Directive, which included a number of suggested changes which, if implemented, would broaden the scope of the requirements described above. The European Parliament approved an amended version of this proposal on 24 April 2009. Investors who are in any doubt as to their position should consult their professional advisers.

Finnish Taxation

The comments below are of a general nature based on the Bank's understanding of current law and practice in Finland. They relate only to the position of person who are the absolute beneficial owners of the Instruments and Coupons. They may not apply to certain classes of person such as dealers. Prospective holders of the Instruments who are not resident in Finland for tax purposes and are in any doubt as to their personal tax position or who may be subject to tax in any other jurisdiction should consult their professional advisers. It should be noted that the tax laws of Finland may be amended with retroactive effect.

Taxation of Notes

Under present Finnish domestic tax law payments in respect of the Instruments and the Coupons will be exempt from all taxes, duties and fees of whatever nature, imposed or levied by or within the Republic of Finland or by any municipality or other political subdivision or taxing authority thereof or therein, except such taxation the holder of the Instrument or Coupon to which any such payment relates is subject to thereon by reason of such holder being connected with the Republic of Finland otherwise than solely by the holding of such Instrument or Coupon or the receipt of income therefrom.

Finnish Capital Gains Taxes

Holders of Instruments and Coupons who are not resident in Finland for tax purposes and who do not engage in trade or business through a permanent establishment or a fixed place of business in Finland will not be subject to Finnish duties or taxes on gains realised on the sale or redemption of the Instruments and Coupons.

SUBSCRIPTION AND SALE

Instruments may be sold from time to time by the Bank to any one or more of Barclays Bank PLC, Citigroup Global Markets Limited, CALYON, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, J.P. Morgan Securities Ltd., Merrill Lynch International, Nomura International plc, Pohjola Bank plc and UBS Limited, (the “**Dealers**”) or to any other person or institution. The arrangements under which Instruments may from time to time be agreed to be sold by the Bank to, and purchased by, Dealers are set out in an amended and restated dealership agreement dated 11 November 2009 (the “**Dealership Agreement**”, which expression shall include any supplements or amendments thereto) and made between the Bank and the Dealers. Any such agreement will *inter alia* make provision for the form and terms and conditions of the relevant Instruments, the price at which such Instruments will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Bank in respect of such purchase. The Dealership Agreement makes provision for the resignation or renewal of existing Dealers and the appointment of additional or other Dealers.

In connection with the issue under the Programme of any Series of Instruments, a portion of which is offered or sold within the United States or to or for the account or benefit of U.S. persons, the Dealer, who is specified in the Final Terms in relation to the relevant Series of Instruments, may purchase and sell the Instruments in the open market. These transactions may include over-allotment and stabilising transactions, and purchases to cover short positions created in connection with the offering of such Instruments. Stabilising transactions consist of certain bids or purchases for the purpose of preventing or retarding a decline in the market price of such Instruments and short positions involve the sale by the relevant Dealer of a greater number of Instruments than it is required to purchase from the Bank in the offering of such Instruments. The relevant Dealer also may impose a penalty bid, whereby selling concessions allowed to broker-dealers in respect of the Instruments sold in the offering for their account may be reclaimed by the relevant Dealer if such Instruments are repurchased by the relevant Dealer in stabilising or covering transactions. These activities may stabilise, maintain or otherwise affect the market price of the Instruments which may be higher than the price that might otherwise prevail in the open market. These transactions may be effected on any stock exchange on which such Instruments are listed, in the over-the-counter market or otherwise, and these activities, if commenced, may be discontinued at any time. Such stabilising shall be in compliance with all applicable laws, regulations and rules.

Selling Restrictions

The United States of America

The Instruments have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of U.S. persons, except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in the preceding sentence have the meaning given to them by Regulation S.

Instruments in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to U.S. persons, except in certain transactions permitted by U.S. tax regulations. Terms used in the preceding sentence have the meanings given to them by the United States Internal Revenue Code of 1986, as amended, (the “**Code**”) and regulations thereunder.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Dealership Agreement, and as described below, it will not offer, sell or deliver the Instruments, (i) as part of their distribution at any time or (ii) otherwise until forty days after the completion of the distribution of the Instruments comprising the relevant Series, as certified to the Fiscal Agent by such Dealer (or in the case of a sale of a Series of Instruments to or through more than one Dealer by each of such Dealers as to Instruments of such Series purchased by or through it, in which case the Fiscal Agent shall notify each such Dealer when all such Dealers have so certified) within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Instruments during the distribution compliance period (other than resales pursuant to Rule 144A) a confirmation or other notice setting forth the restrictions on offers and sales of the Instruments within the United States or to, or for the account or benefit of U.S. persons. Terms used in the preceding sentence have the meaning given to them by Regulation S.

In addition, until forty days after the commencement of the offering of Instruments comprising any Series, any offer or sale of Instruments of such Series within the United States by a Dealer that is not participating in the offering may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A under the Securities Act.

Notwithstanding the foregoing restrictions, a Dealer may offer Registered Instruments in the United States pursuant to Rule 144A to qualified institutional buyers who have been informed by such Dealer that the offer is being made pursuant to Rule 144A. Each purchaser of Instruments pursuant to Rule 144A by accepting delivery of this Prospectus and the Registered Instruments, will be deemed to have represented and agreed as follows:

- (i) It is a qualified institutional buyer within the meaning of Rule 144A and it is acquiring such Registered Instruments for its own account or for the account of a qualified institutional buyer over which it exercises sole investment discretion; it is aware, and each beneficial owner of such Registered Instruments has been advised, that the sale of such Registered Instruments to it is being made in reliance on Rule 144A.
- (ii) It understands that the Registered Instruments are being offered only in a transaction not involving any public offering within the meaning of the Securities Act, and that, if in the future it decides to resell, pledge or otherwise transfer such Registered Instruments purchased by it, such transaction would be subject to certain restrictions and conditions set forth in or contemplated by the Fiscal Agency Agreement.
- (iii) It understands that the Registered Instruments purchased by it will bear a legend to the following effect unless otherwise agreed to by the Bank:

THIS INSTRUMENT HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND THE TRANSFER OF THIS INSTRUMENT IS SUBJECT TO CERTAIN CONDITIONS, INCLUDING THOSE SET FORTH IN THE FISCAL AGENCY AGREEMENT (THE "FISCAL AGENCY AGREEMENT") DATED AS OF 10 MARCH, 1992, AS AMENDED AND RESTATED ON 11 NOVEMBER 2009, AS AMENDED FROM TIME TO TIME, RELATING TO THE INSTRUMENTS. THE HOLDER HEREOF, BY PURCHASING THIS INSTRUMENT, AGREES FOR THE BENEFIT OF POHJOLA BANK PLC (THE "BANK") THAT THIS INSTRUMENT MAY BE RESOLD, PLEDGED, OR OTHERWISE TRANSFERRED ONLY (1) TO THE BANK OR AN AFFILIATE OF THE BANK, (2) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT TO A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER OVER WHICH IT EXERCISES SOLE INVESTMENT DISCRETION, WHO THE SELLER HAS INFORMED, IN EACH CASE, THAT THE RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A AND IN CONNECTION THEREWITH A CERTIFICATE SUBSTANTIALLY IN THE FORM OF SCHEDULE 9 TO THE FISCAL AGENCY AGREEMENT IS DELIVERED BY THE PURCHASER TO THE REGISTRAR (AS DEFINED IN THE FISCAL AGENCY AGREEMENT), (3) TWO YEARS AFTER THE LATER OF (i) THE ORIGINAL ISSUE DATE OF SUCH INSTRUMENT AND (ii) THE LAST DATE ON WHICH THE BANK OR ANY AFFILIATE OF THE BANK WAS THE BENEFICIAL OWNER OF SUCH INSTRUMENTS, (4) PURSUANT TO AN EXEMPTION FROM REGISTRATION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT AND IN CONNECTION THEREWITH A CERTIFICATE SUBSTANTIALLY IN THE FORM OF SCHEDULE 11 TO THE FISCAL AGENCY AGREEMENT IS DELIVERED BY THE TRANSFEROR TO THE REGISTRAR, OR (5) OTHERWISE AS SET FORTH IN THE FISCAL AGENCY AGREEMENT.

- (iv) It acknowledges that the Bank, the Registrar, the Dealers and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Registered Instruments for the account of one or more qualified institutional buyers, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Prospective purchasers are hereby notified that sellers of the Instruments may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Each purchaser of Instruments sold outside the United States pursuant to Regulation S and each subsequent purchaser of such Instruments in resales prior to the expiration of the distribution compliance period, by accepting delivery of this Prospectus and the Instruments, will be deemed to have represented, agreed and acknowledged that:

- (i) It is, or at the time Instruments are purchased will be, the beneficial owner of such Instruments and (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Bank or a person acting on behalf of such an affiliate.
- (ii) It understands that such Instruments have not been and will not be registered under the Securities Act and that, prior to the expiration of the distribution compliance period, it will not offer, sell, pledge or otherwise transfer such Instruments except (a) in accordance with Rule 144A under the Securities Act to a person that it and any person acting on its behalf reasonably believes is a qualified institutional acquiring such Instruments for its own account, or for the account of a qualified institutional buyer over which it exercises sole investment discretion or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States.
- (iii) It understands that such Instruments, unless otherwise determined by the Bank in accordance with applicable law, will bear a legend in or substantially in the following form:

“THIS INSTRUMENT HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT.”
- (iv) It understands that the Bank, the Registrar, the relevant Dealer(s) and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

In addition, a Dealer may arrange for the placement of Registered Instruments with sophisticated U.S. institutional investors under restrictions and other circumstances designed to preclude a distribution that would require registration of the Instruments under the Securities Act. These restrictions also include the delivery of certificates containing representations and agreements as provided in the Fiscal Agency Agreement, including those set forth in the Eighth Schedule thereto referred to above.

Furthermore, each Series of Instruments will also be subject to such further United States selling restrictions as the Bank and the relevant Dealer or Dealers may agree and as indicated in the relevant Final Terms.

United Kingdom

In relation to each Series of Instruments each Dealer subscribing for or purchasing such Instruments has represented to and agreed with, or will represent to and agree with, the Issuer and each other such Dealer (if any) that:

- (a) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Instruments in circumstances in which section 21(1) of the FSMA would not, if the Bank was not an authorised person, apply to the Bank; and
- (b) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Instruments in, from or otherwise involving the United Kingdom.

Japan

Each Dealer understands that the Instruments have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly,

each Dealer has undertaken that it will not offer or sell any Instruments, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for reoffering or resale, directly or indirectly, in Japan or to any Japanese Person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, “Japanese Person” shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

The Republic of Finland

Each Dealer has agreed that it will not publicly offer the Instruments or bring the Instruments into general circulation in the Republic of Finland other than in compliance with all applicable provisions of the laws of the Republic of Finland and especially in compliance with the Finnish Securities Market Act (495/89 *Arvopaperimarkkinalaki, as amended*) and any regulation made thereunder, as supplemented and amended from time to time.

Republic of Italy

The offering of the Instruments has not been registered pursuant to Italian securities legislation and, accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, any Instruments in Italy in an offer to the public, and that sales of the Instruments in Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

Any such offer, sale or delivery of the Instruments or distribution of copies of the Base Prospectus or any other document relating to the Instruments in the Republic of Italy must be:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993 as amended, Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007, as amended and any other applicable laws and regulations; and
- (b) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

General

Other persons into whose hands the Base Prospectus or any Final Terms comes are required by the Bank and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Instruments or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed “General” above.

Selling restrictions may be supplemented or modified with the agreement of the Bank. Any such supplement or modification will be set out in the relevant Final Terms (in the case of a supplement or modification relevant only to a particular Tranche of Instruments) or in a supplement to this Base Prospectus.

GENERAL INFORMATION

Authorisation

1. The establishment of the Programme was authorised by a duly convened meeting of the Executive Board of the Bank held on 14 January, 1992 and the update of the Programme was authorised by a duly convened meeting of the Board of Directors of the Bank held on 3 November 2009.

Auditors

2. The consolidated balance sheet and the consolidated income statements of Pohjola Bank Group and the OP-Pohjola Group for the years ending 31 December, 2007 and 31 December, 2008 (in accordance with International Financial Reporting Standards (“IFRS”)), have been audited, without qualification, by KPMG Oy Ab, Authorised Public Accountants (the responsible partner for the audit being Sixten Nyman), in accordance with Finnish Standards of Auditing.

Listing and Admission to Trading

3. Applications have been made to admit the Instruments issued under this Base Prospectus to listing on the Official List of the UKLA and to trading on the regulated market of the London Stock Exchange. The price of the Instruments on the price list of the London Stock Exchange will be expressed as a percentage of their principal amount (exclusive of accrued interest). Any Tranche of Instruments intended to be admitted to trading on the regulated market of the London Stock Exchange will be so admitted to trading upon submission to the London Stock Exchange of the relevant Final Terms and any other information required by the London Stock Exchange, subject to the issue of the relevant Instruments. Prior to admission to trading, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day in London after the day of the transaction.

However, Instruments may be issued pursuant to the Programme which will not be admitted to listing, trading and/or quotation by the London Stock Exchange or any other listing authority, stock exchange and/or quotation system or which will be admitted to listing, trading and/or quotation by such other or further listing authorities, stock exchanges and/or quotation systems as the Issuer and the relevant Dealer(s) may agree.

No Significant Change

4. There has been no significant change in the financial or trading position of the Pohjola Bank Group or the OP-Pohjola Group since 30 September, 2009.

No Material Adverse Change

5. There has been no material adverse change in the prospects of the Bank, the Pohjola Bank Group or the OP-Pohjola Group since 31 December, 2008.

Documents on Display

6. For the life of this Base Prospectus, copies and, where appropriate, English translations of the following documents may be inspected during normal business hours at the registered office of Pohjola Bank and at the offices of Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB; namely:

- (i) the Articles of Association of the Bank;
- (ii) the Fiscal Agency Agreement;
- (iii) the Deed of Covenant;
- (iv) the Dealership Agreement;
- (v) the audited consolidated financial statements (including the auditors’ report thereon and notes thereto) of the Pohjola Bank Group in respect of the years ended 31 December, 2007 and 31 December, 2008;
- (vi) the unaudited interim consolidated financial statements of the Pohjola Bank Group for the period 1 January to 31 March, 2009;
- (vii) the unaudited interim consolidated financial statements of the Pohjola Bank Group for the period 1 January to 30 June, 2009;

- (viii) the unaudited interim consolidated financial statements of the Pohjola Bank Group for the period 1 January to 30 September, 2009;
- (ix) this Base Prospectus;
- (x) the Issuer – ICSDs Agreement dated 7 November 2008; and
- (xi) any Final Terms relating to the Instruments which are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system. (In the case of any Instruments which are not admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, copies of the relevant Final Terms will only be available for inspection by the relevant Holders).

Clearing Systems

7. The Instruments have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The common code and International Securities Identification Number in relation to the Instruments of each Series will be contained in the Final Terms relating thereto.

8. Settlement arrangements will be separately agreed between the Bank, the relevant Dealer and the Fiscal Agent or, as the case may be, the Registrar in relation to each Series.

Post Issuance Information

- 9. The Bank does not intend to provide post issuance information.

REGISTERED AND PRINCIPAL OFFICE OF THE BANK

Teollisuuskatu 1b
FIN-00510 Helsinki
Finland

AUTHORISED PUBLIC ACCOUNTANTS TO THE BANK

KPMG Oy Ab
Mannerheimintie 20 B
FIN-00101 Helsinki
Finland

ARRANGER

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

DEALERS

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

CALYON
9, Quai du Président Paul Doumer
92920 Paris La Défense Cedex

Credit Suisse Securities (Europe) Limited
One Cabot Square
London E14 4QJ

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB

**DZ BANK AG Deutsche
Zentral-Genossenschaftsbank, Frankfurt am Main**
Platz der Republik
60265 Frankfurt am Main, Germany

J.P. Morgan Securities Ltd.
125 London Wall
London EC2Y 5AJ

Merrill Lynch International
Merrill Lynch Financial Centre
2 King Edward Street
London EC1A 1HQ

Nomura International plc
Nomura House
1 St Martin's-le-Grand
London EC1A 4NP

Pohjola Bank plc
Teollisuuskatu 1b
FIN-00510 Helsinki
Finland

UBS Limited
1 Finsbury Avenue
London EC2M 2PP

FISCAL AGENT AND PAYING AGENT

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB

PRINCIPAL REGISTRAR

**Deutsche Bank Trust Company Americas,
Corporate Trust and Agency Services**
60 Wall Street
MS-NYC60-2515
New York NY 10005

FIRST ALTERNATIVE REGISTRAR

Deutsche Bank Luxembourg S.A.
2, Boulevard Konrad Adenauer
L-1115 Luxembourg

PAYING AGENT

Deutsche Bank Luxembourg S.A.
2, Boulevard Konrad Adenauer
L-1115 Luxembourg

LEGAL ADVISERS

To the Bank as to Finnish Law

Pohjola Bank plc
Legal Services
Teollisuuskatu 1b
FIN-00510 Helsinki
Finland

To the Dealers as to English Law

Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ

