



# OKO Bank

OKO BANK PLC

*(incorporated with limited liability in the Republic of Finland)*

## EUR 12,000,000,000 Programme for the Issuance of Debt Instruments

On 10 March, 1992, OKO Bank plc (formerly known as OKO Osuuspankkien Keskuspankki Oyj) (the “**Bank**” or “**OKO Bank**”) established a Programme for the Issuance of Debt Instruments (the “**Programme**”). This base prospectus (the “**Base Prospectus**”) supersedes the previous Base Prospectus dated 10 November, 2006. 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 FSA and to trading on the gilt edged and fixed interest 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.

**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.**

**Banc of America Securities Limited**

**Citi**

**Credit Suisse**

**DZ BANK AG**

**JPMorgan**

**OKO Bank plc**

**Barclays Capital**

**CALYON Crédit Agricole CIB**

**Deutsche Bank**

**Merrill Lynch International**

**Nomura International**

**UBS Investment Bank**

*(Arranger for the Programme)*

**Citi**

Dated 9 November, 2007

OKO Bank plc (the “**Bank**” or “**OKO 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.

OKO 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.

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 United States Securities Act of 1933 (as amended) 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 a “Member State” are references to a Member State of the European Economic Area, references to “Pounds Sterling” and “£” are references to the currency of the United Kingdom and references to “Japanese Yen” and “¥” are references to the currency of Japan.

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”.

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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 the OKO Bank Group in respect of the years ended 31 December, 2005 and 31 December, 2006;
- (2) the unaudited interim consolidated financial statements of the OKO Bank Group for the period 1 January to 31 March, 2007 which were reviewed by KPMG;
- (3) the unaudited interim consolidated financial statements of the OKO Bank Group for the period 1 April to 30 June, 2007 which were reviewed by KPMG; and
- (4) the unaudited interim consolidated financial statements of the OKO Bank Group for the period 1 July to 30 September, 2007 which were reviewed by KPMG.

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 OKO Bank as set out at the end of this Base Prospectus or OKO Bank's website at <http://www.oko.fi/english>.

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:	OKO Bank plc
Arranger:	Citigroup Global Markets Limited
Dealers:	Banc of America Securities Limited, 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, OKO 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 12,000,000,000 (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 FSA and to trading on the gilt edged and fixed interest 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:	Instruments may be issued in bearer form or in registered form. 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 “ <b>Classic Global Instrument</b> ” or “ <b>CGI</b> ”), as specified in the relevant Final Terms, will be deposited on or around the relevant 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 “ <b>New Global Instrument</b> ” or “ <b>NGI</b> ”), 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 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.
- Where Instruments have a maturity of less than one year and either (a) the issue proceeds are received by the Bank in the United Kingdom or (b) the activity of issuing the Instruments is carried on from an establishment maintained by the Bank in the United Kingdom, such Instruments must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the FSMA by the Bank.
- 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 and all related contractual documentation will be governed by, and construed in accordance with, English law save for the subordination provisions in Condition 3B which are governed by, and shall be construed in accordance with, 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 20 to 39 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 9 November 2007, 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 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.

## 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. Prospective investors should consider carefully the following:*

### **Risks Relating to the Operations of OKO Bank Group**

#### ***Business Conditions and General Economy***

The profitability of OKO 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 the public finances and general price, income and the employment levels as well as the development of companies’ willingness to invest and the savings level of households may affect the volume and performance of OKO Bank’s business as well as its financial condition. An economic downturn in Finland or globally could adversely affect OKO Bank’s business, results of operations and financial condition.

A downturn in the general economy would likely lead to growing credit losses as OKO Bank’s customers would be unable to meet their payment obligations. In addition, there would be a decline in the demand for loans and, therefore, an economic downturn could adversely affect OKO Bank’s interest margins. An economic downturn could also lead to a decline in the income it receives from fees.

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 OKO Bank’s customers. Significantly higher interest rates could adversely affect the values of balance sheet and off-balance sheet assets of OKO 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 OKO Bank’s trading portfolios. A market downturn would likely result in a decline in the volume of transactions that OKO 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 OKO Bank earns for managing assets.

#### ***Customers’ Paying Behaviour and Credit Rating***

Estimating the potential write-downs in OKO 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, structural and technological changes within industries and other external factors such as legal and other regulatory requirements. The most significant risk for a bank is credit risk. The objective 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 OKO 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, OKO Bank’s business, results of operations and financial condition could be adversely affected.

#### ***Price Development in Money, Foreign Exchange and Capital Markets***

The most significant market risks OKO Bank faces are interest rate, foreign exchange, and equity price risks. Changes in interest rate levels, yield curves and credit risk margins may affect OKO 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 OKO Bank’s earnings and may affect revenues from foreign exchange dealing. The price development of financial markets may cause changes in the value of OKO Bank’s investment and trading portfolios and in the amount of revenues generated from assets under management. OKO 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 OKO Bank Group 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 OKO 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, OKO Bank’s business, results of operations and financial condition could be adversely affected.



### ***Liquidity Risk and Availability of Funding***

OKO Bank as the central bank of OP-Pohjola Group\* is responsible for the whole OP-Pohjola Group's liquidity and funding from money and capital markets. Liquidity risk means the risk of OKO 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 OKO Bank's credit rating or OKO Bank being unable to maintain adequate liquidity. A decline in OKO Bank's liquidity or a substantial downgrading of OKO Bank's credit rating may adversely affect the availability and price of OKO Bank's funding and as a consequence weaken OKO Bank's results of operations and financial condition.

### ***Risks Relating to Operational Activities***

OKO Bank's business operations require the ability to process a large number of transactions efficiently and accurately. Operational risks and related losses may result 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 of OKO Bank's own systems or the systems of OKO Bank's suppliers or cooperation partners or other external systems as well as natural disasters. Although OKO Bank has implemented risk controls and loss mitigation actions, and strives for continuous development of procedures, it is not absolutely certain that such procedures will be effective in controlling each of the operational risks faced by OKO Bank.

### ***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 OKO Bank's business divisions, which could adversely affect OKO Bank's business, results of operations and financial condition.

### ***Capital Adequacy***

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

### ***Risk Relating to Joint Liability of the Member Credit Institutions***

Under the Cooperative Bank Act, the Central Cooperative, and OKO 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, OKO 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 OKO 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 OKO Bank plc and are not obligations of, and are not guaranteed by, the Central Cooperative.

### ***Risks Relating to Acquisitions and Strategy***

In addition to the acquisition of Pohjola, OKO Bank may consider strategic acquisitions and partnerships from time to time. There can be no guarantee that OKO 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. OKO 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.

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\*Formerly OP Bank Group. See "OKO Bank" – "Recent Events" section for more details.

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

## **Risks Relating to Law and Regulation**

### ***Regulatory Compliance and Legal Risks***

OKO 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. Certain resolutions also require a prior authority approval or a notice to authorities. OKO 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.

One or more authorities may apply or execute the applicable regulations. Authorities may question OKO Bank's activities in accordance with the applicable regulations with regard to one or more regulations. If it is found that OKO 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 OKO Bank's reputation, enforced suspension of operations or, in extreme cases, amendment to or withdrawal of authorisation to operate. OKO Bank may also be liable for damages caused by the activities of OKO Bank.

The regulation of the financing and the investment service industry are presently 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. Pending capital adequacy reform (i.e., Basel II), the authorities may also impose new capital requirements on OKO Bank.

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 in particular markets in which OKO 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.

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

### ***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 OKO Bank devotes considerable resources to managing tax risk, a failure to manage this risk could adversely affect OKO Bank's business, results of operations and financial condition.

## **Risks Relating to the Insurance Industry**

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

### ***Insurance Industry is Subject to Comprehensive Regulation***

The current business of Pohjola 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 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.

***Unfavourable Securities Market Conditions May Have an Adverse Effect on Pohjola's Investment Portfolio***

Pohjola's results of operations depend in part on the return on its investments. Certain risks are inherent in connection with fixed maturity securities including loss upon default and price volatility caused by changes in interest rates and general market factors. An increase in interest rates lowers the prices of fixed maturity securities, and any sales made during a period of increasing interest rates may result in losses. If interest rates decrease, re-investment income earned from future investments in fixed maturity securities will decrease. A decrease in share prices and the prices of real estate as well as changes in exchange rates may decrease the value of Pohjola's investments and their return.

***Insurance Industry is Sensitive to Economic Fluctuations***

The insurance industry, and particularly the non-life insurance market, are 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'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. 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 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's financial results and adversely affect its business, results of operations or financial condition. Pohjola'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 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.

Pohjola 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 of solvency capital. Only companies with a sufficiently high insurance financial strength rating are accepted as reinsurers. Moreover, Pohjola 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's reinsurance agreements have mainly been placed with companies whose ratings are at least 'A' in accordance with Standard & Poor's. The reinsurance of non-life insurance has been arranged on a centralised basis. Retention in risk-specific reinsurance is a maximum of EUR 5 million. In addition, Pohjola has taken out reinsurance protection against catastrophe accumulation claims. Under this reinsurance cover, retention is EUR 7.5 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.

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 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***

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's business, results of operations and financial condition.

#### **Risk Factors Involved with OP-Pohjola Group's business**

The OP-Pohjola Group's risk-taking is moderate. The Central Cooperative is also responsible for the Internal Capital Adequacy Assessment Process (ICAAP) for the OP-Pohjola Group. The OP Bank Group 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. 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.

#### ***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.

#### ***Credit Risks***

Credit risk being the biggest risk in retail banking, the OP-Pohjola Group pays particular attention to developing the way 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 Bank's 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 OKO Bank. OKO 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 OKO Bank Group Mutual Insurance Company. Insurance decisions are taken separately in respect of loans in excess of EUR 0.3 million or which are more than 10 per cent. of the Member Cooperative Bank's 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.

#### ***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 Non-Life 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.

The acquisition of Pohjola increased the income volatility 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.

#### ***Market Risks in Banking Operations***

The OP-Pohjola Group regards market risks as including all funding, interest rate and real-estate risks as well as foreign exchange and equity risks of balance- and off-balance sheet items. The aim of market risk management is to identify and assess the market risks inherent in the OP-Pohjola Group's operations, to limit them to an acceptable level and to report on them regularly and efficiently. This ensures that changes in market prices or other external market factors do not lead to a long-term weakening in profitability or capital adequacy in an individual unit belonging to the OP-Pohjola Group or within the OP-Pohjola Group as a whole.

Within the OP-Pohjola Group, foreign exchange risk in banking is centralised to OKO Bank. OKO Bank's Board of Directors confirms the Bank's foreign exchange risk limits. In addition, the OP Bank Group's insurance and pension companies take foreign exchange risk within the framework of their investment plans.

Funding risk means the risk that a company's ability to meet its payment obligations is jeopardised. The sources of the OP-Pohjola Group's funding risk are risks arising from the asset and liability structure, customer behaviour and risks connected with the economic operating environment. Liquidity risk is also included within the OP-Pohjola Group's funding risk. During 2005 the growth in deposit funding did not cover the growth in the OP-Pohjola Group's lending. The share of deposits within funding nevertheless remained high and was 43 per cent. at the end of the year 2006.

Each Member Cooperative Bank's executive board has confirmed the written guidelines for its asset and liability management system. The asset and liability management policy defines the products and market instruments to be used, the extent of operations conducted in foreign currency, the principles underlying funding and investment activities, the market risk measures and limits that are employed as well as the organisation of the bank's asset and liability management.

#### ***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 Bank 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.

## **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 UK Listing Authority and traded on the gilt edged and fixed interest 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 the Bank 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, the Bank 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 the Bank'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. The Bank 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 the Bank 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 this Base Prospectus. 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, the Bank 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 (should Definitive Instruments be printed) and may need to purchase a principal amount of Instruments such that, its holding is an integral multiple of 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:

- (i) the market price of such Instruments may be very volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time than expected;
- (iv) they may lose all or a substantial portion of their principal;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) 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
- (vii) 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.

### **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***

The Bank 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.

**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:

- (i) 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;
- (ii) 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;
- (iii) 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;
- (iv) understand thoroughly the terms of the Instruments and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.



## 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.

On 13 June, 2006 the European Central Bank (the “**ECB**”) announced that Instruments in NGI form are in compliance with the “Standards for the use of EU securities settlement systems in ESCB credit operations” of the central banking system for the euro (the “**Eurosystem**”), provided that certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Instruments in NGI form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June, 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December, 2006 will only be eligible as collateral for Eurosystem operations if the NGI form is used.

### **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 9 November 2007 and made between OKO 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 9 November 2007 (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 gilt edged and fixed interest 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 Specified Denominations specified in the relevant Final Terms. 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 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**”) and any Instrument privately placed by a Dealer with an institutional investor that is an accredited investor within the meaning of Regulation D who is in the United States or who is a United States person (as defined by the U.S. Internal Revenue Code and regulations thereunder) will be delivered to such investor only in definitive registered form. 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 (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 relevant period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the relevant 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 relevant period is longer than one Regular Period, the sum of:
    - (A) the actual number of days in such relevant 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 relevant 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 specified in the applicable Final Terms, on the basis of the number of days in the period from and including the most recent Interest Payment Date to but excluding the relevant payment date (such number of days being calculated on the basis of 12 30-day months) divided by 360; or

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

For the purposes of the foregoing:

- (i) the day and month (but not the year) on which any Interest Payment Date falls shall be a “**Regular Date**”; and
- (ii) each period from and including a Regular Date falling in any year to but excluding the next succeeding Regular Date shall be a “**Regular 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 Telerate or any other information vending service shall be applicable. For these purposes, “**Reuters Screen**” means the Reuter Money Market Rates Services and “**Telerate**” means the Telerate Service (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 of an amount for any period of time (“**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 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, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Interest Period, the date of final maturity 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).

#### 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 2000 ISDA Definitions or, if so specified in the relevant Final Terms, the 2006 ISDA Definitions (in either case, as amended and updated from time to time), each 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 5F.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 5F.03 shall be applicable in relation to all interest-bearing Instruments.

*Notification of Rates of Interest, Interest Amounts and Interest Payment Dates*

5G.02 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 luottolaitostoininnasta*) and in Regulation 106.6 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 Regulation 106.6 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 Regulation 106.6 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 Regulation 106.6 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 clause 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 or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November, 2000 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 the TARGET System 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 2000 ISDA Definitions, or, if so specified in the relevant Final Terms, the 2006 ISDA Definitions (in either case, 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) “**TARGET Settlement Day**” means a day on which the TARGET System is operating;
  - (vii) “**TARGET System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System;
- 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 or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November, 2000. 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 OKO Bank plc, Teollisuuskatu 1b, FIN-00510 Helsinki and clearly marked on their exterior "Urgent – Attention: OKO 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 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 stock exchange (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 (i) in the case of Relevant Instruments in the denomination of euro 50,000 and/or such higher amounts as the Fiscal Agent may determine and notify to the Holders or the Instruments or Coupons and any remaining amounts less than euro 50,000 shall be redeemed by the Bank and paid to the Holders in euro in accordance with Condition 9; and (ii) in the case of Instruments which are not Relevant Instruments, 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 (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;

“**Relevant Instruments**” means all Instruments where the applicable Final Terms provide for a minimum Specified Denomination in the Specified Currency which is equivalent to at least euro 50,000 and which are admitted to trading on a regulated market in the European Economic Area; 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 all matters arising from or connected with the Instruments, the Fiscal Agency Agreement and the Deed of Covenant are governed by, and shall be construed in accordance with, English law save for the subordination provisions set out in Condition 3B which are governed by, and shall be construed in accordance with, 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.

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:* Clause 17.2 (*English courts*) is for the benefit of the Holders of the Instruments only. As a result, nothing in this Clause 17 (*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 clause 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. A12.3.2



# PRO FORMA FINAL TERMS

## Part A

### Contractual Terms

#### Final Terms dated ●

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

Issue of [Aggregate Nominal Amount of Tranche] [Title of the Instruments]  
under the **EUR 12,000,000,000 Programme for the Issuance of Debt Instruments**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 9 November 2007 [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 OKO Bank plc’s website (www.okobank.com) and www.londonstockexchange.com/rns and copies may be obtained from the registered office of OKO 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.*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated [original date] [and the supplemental Base Prospectus dated [●]]. 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 9 November 2007 [and the supplemental Base Prospectus dated [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] [and the supplemental Base Prospectus dated [●]] and are attached hereto. 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 9 November 2007 [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 OKO Bank plc’s website (www.okobank.com) and www.londonstockexchange.com/rns and copies may be obtained from the registered office of OKO 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: OKO 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 admitted to trading:
- [(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)*
- [Instruments (including instruments denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies)]*
- (ii) Calculation Amount:
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) Determination Dates:  in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)*)
- (vii) 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/ISDA Determination/other (*give details*)]
- (vii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Principal Paying Agent):
- (viii) Screen Rate Determination:
- Reference Rate:
  - Interest Determination Date(s):
  - Relevant Screen Page:

- (ix) ISDA Determination:
    - Floating Rate Option:
    - Designated Maturity:
    - Reset Date:
  - (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) [Amortisation/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) 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 Interest Payment Dates:
  - (viii) Business Day Convention:  [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]
  - (ix) Business Centre(s):
  - (x) Minimum Rate/Amount of Interest:  per cent. per annum
  - (xi) Maximum Rate/Amount of Interest:  per cent. per annum
  - (xii) 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) of each Instrument 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) of each Instrument and method, if any, of calculation of such amount(s): [●] per Calculation Amount
  - (iii) Notice period [●]
22. **Final Redemption Amount of each Instrument** 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) 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(iii) and 17(viii) 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. Consolidation provisions:

[Not Applicable/The provisions [in Condition 16 (Further Issues)] apply]

32. 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**

- 33. (i) If syndicated, names of Managers [Not Applicable/*give names*]
- (ii) Stabilising Manager(s) (if any): [Not Applicable/*give name*]
- 34. If non-syndicated, name and address of Dealer: [Not Applicable/*give name and address*]
- 35. U.S. Selling Restrictions: [Reg. S Compliance Category; TEFRA C/TEFRA D/ TEFRA not applicable]
- 36. 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 [the London Stock Exchange’s Gilt Edged and Fixed Interest Market/*specify relevant regulated market*] of the Instruments described herein pursuant to the EUR 12,000,000,000 Programme for the Issuance of Debt Instruments of OKO Bank plc.]

**RESPONSIBILITY**

OKO Bank plc accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: .....  
Duly authorised

By: .....  
Duly authorised

## Part B

### Other Information

#### 1. LISTING

(i) Admission to trading:

[Application has been made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on the gilt edged and fixed interest 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 gilt edged and fixed interest market of the London Stock Exchange with effect from [●].] [Not Applicable.]

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

(ii) Estimate of total expenses related to admission to trading

[●]

#### 2. RATINGS

Ratings:

The Instruments to be issued have been 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. 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:

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 9 November 2007 (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.

## INFORMATION ON OKO BANK

OKO Bank was established for an indefinite period on 14 May 1902 in Helsinki with name Osuuskassojen Keskuslainarahasto-Osakeyhtiö. OKO Bank's registration number in Finnish National Patent and Register Board is 0199920-7 and its domicile is in Helsinki and therefore Finnish legislation applies to OKO Bank. The Bank's accounting period is one calendar year. OKO Bank's A share is quoted on the Helsinki Stock Exchange at Nordic List. OKO Bank's address is OKO Bank, Teollisuuskatu 1 b, 00510 Helsinki and telephone number +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 Luottolaitostoininnasta* 9.2.2007/121 ("The Credit Institution Act", as amended)). 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. OKO Bank's business expanded to cover non-life insurance after the Bank acquired the majority of Pohjola Group plc ("Pohjola") in September 2005.

The Bank can offer investment services pursuant to the Act on Investment Firms (*laki sijoituspalveluyrityksistä*, 1.11.2007/922) as well as the custodian and asset management services according to the paragraph 31 of the Credit Institution Act and paragraphs 5 and 15 of the Act on Investments Firms. 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. OKO Bank focuses on serving customers both at home and abroad. Through its alliances, OKO 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.

OKO Bank Group comprises the parent company OKO Bank plc and its subsidiaries. The most significant subsidiaries engaged in business operations include Pohjola Non-Life Insurance Company Ltd, A-Insurance Ltd, Eurooppalainen Insurance Company Ltd, Pohjola Property Management Ltd, Pohjola Asset Management Limited and OKO Venture Capital Ltd, as well as the Seesam non-life insurance companies operating in Estonia, Latvia and Lithuania. OKO Bank and its subsidiaries ("OKO Bank Group") employed 2918 people at the end of 2006 (at the end of 2005 the figure was 3254). Major challenges for 2006 regarding personnel were related to the reorganisation of operations and corporate arrangements following the acquisition of Pohjola.

OKO Bank Group has two business divisions which are Banking and Investment Services and Non-Life Insurance. Furthermore OKO Bank Group has a Finance and Risk Management division. 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 realization of the strategy of the OKO Bank Group. The Banking and Investment Services division includes Corporate Banking, Markets, Group Treasury and Asset Management (as its own company). Non-Life Insurance division includes Pohjola Non-Life Insurance Company Ltd as its own company, which is wholly owned by OKO Bank, as well as A-Insurance Ltd, which focuses on non-life insurance for professional transport, and Eurooppalainen Insurance Company Ltd, which focuses on travel insurance. In addition Pohjola underwrites non-life insurance business through Seesam companies in the Baltic States.

OKO Bank's Corporate Banking offers corporate customers and institutions financing, payment transfer and cash management services, as well as financing and risk management services for foreign trade. Among other things, it grants loans and guarantees as well as leasing and factoring services, and engages in venture capital investments through OKO Venture Capital Ltd. The different sectors of investment banking are centralised in the same division under the name Markets. Its service offering includes the arrangements of debt issues, corporate finance services through OKO Corporate Finance Ltd, equity, foreign exchange, money market and derivative products, as well as research. The customer are Finnish and international companies and organisations. The Group Treasury division is responsible for the OP-Pohjola Group's central financial institution duties, the OKO Bank Group's long-term funding, as well as fixed income, equity and property investments. It is also responsible for the OP-Pohjola Group's relations with debt capital investor, as well as international funding. As the central financial institution, OKO Bank is responsible for maintaining the liquidity of the OP-Pohjola Group's retail banks and for accepting deposits. OKO Bank is also responsible for acquiring the collateral required by the payment transfer system and it also provides the Member Cooperative Banks with services associated with the money, foreign exchange and capital markets. The Asset Management division was created in March 2006 through the combination of OKO Bank's and Pohjola's asset

management functions. The combination clearly strengthened OKO Bank's market position in asset management and expanded the range of services offered to the customers.

OKO 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 connection with the Bank of Finland. OKO Bank is also supervised by the OP Bank 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"*).

#### **OKO Bank as a Part of the OP-Pohjola Group**

OKO Bank is the most significant subsidiary of the OP Bank Group Central Cooperative ("**The Central Cooperative**"). The Central Cooperative holds 29.9 per cent. of the shares of OKO Bank, giving the Central Cooperative 56.7 per cent. of the voting rights (as at 31 December, 2006).

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*) 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 Bank Group Central Cooperative, (the Central Cooperative) (in Finnish *Osuuspankkikeskus Osk*) as the OP-Pohjola Group's central institution, (b) 229 member cooperative banks (the Member Cooperative Banks), (c) OKO 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 the section 2, paragraph 3 of the Cooperative Bank Act, the Member Credit Institutions consist of the OKO 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.

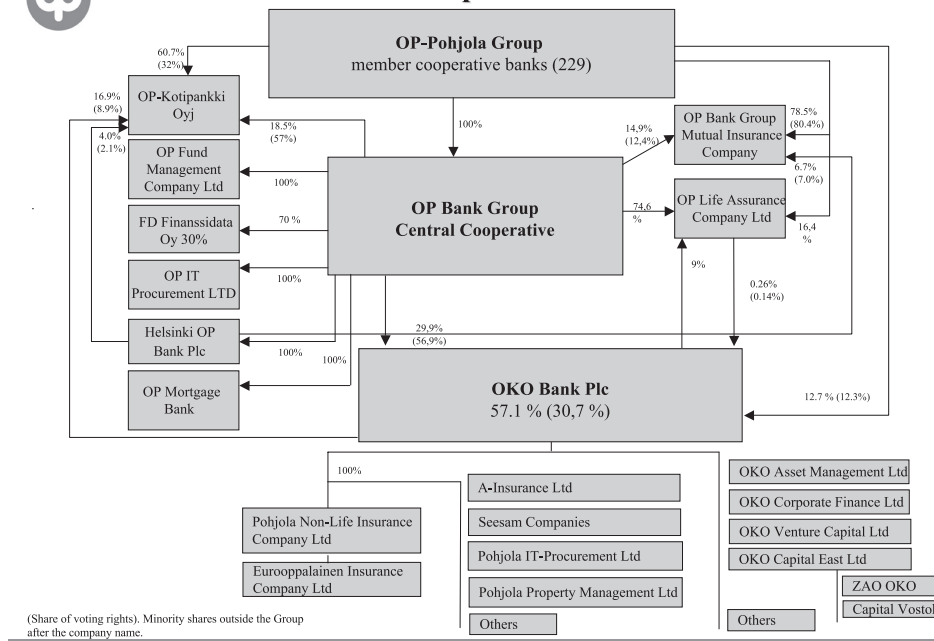
Since OKO Bank is a subsidiary of the Central Cooperative and a part of the amalgamation, it is dependent upon the other entities within the amalgamation. The dependence is based on the Central Cooperative's ownership on OKO Bank as well as on the joint responsibility for one another's liabilities and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



### Ownership structure



### Management of OKO Bank

OKO 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 the election in the General Meeting.

### Board of Directors of OKO Bank

It is the duty of the Board of Directors to attend to the Bank's and its subsidiaries' administration and 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 the OKO 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 as well as 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 OKO Bank

OKO Bank has a President and CEO and a deputy to the President 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 OKO Bank is Mr Mikael Silvennoinen, office address: Teollisuuskatu 1 b, 00510 Helsinki, Finland. The deputy to the President is Mr Timo Ritakallio.

Mr Mikael Silvennoinen President and CEO,  
 Chairman of the Executive  
 Committee of OKO Bank plc  
 M.S. (Econ. and Bus. Adm.)

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

Unico Banking Group:  
 Member of the Steering  
 Committee



OKO Bank shares held on  
1 January 2007:  
4,800 Series A shares  
On the basis of the  
management incentive scheme:  
3,298 Series A shares in 2008

Mr Timo Ritakallio

Deputy CEO,  
Vice Chairman of the Executive  
Committee of OKO Bank plc  
L.L.M, MBA

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

OKO Bank shares held on  
1 January 2007:  
19,200 Series A shares  
On the basis of the  
management incentive scheme:  
1,749 Series A shares in 2008

OMX Exchanges Ltd:  
Member of the Board of Directors,  
SSH Communications Security Corp:  
Member of the Board of Directors,  
Stockholmsbörsen AB:  
Member of the Board of Directors,  
TKK Executive School of Business:  
Member of the Board of Directors

Members of OKO Bank's administrative and management bodies do not have conflicts of interest between any duties and responsibilities to the OKO Bank Group and their other duties or their private interests.

#### Members of the Board of Directors

At the date of this document the Chairman and Chief Executive Officer, the Deputy Chairman and members of the Board of Directors were:

#### Board of Directors

Name	Function	Significant Outside Activity (where significant with respect to the Bank)
<b>Members</b>		
Mr Reijo Karhinen	Chairman, Executive Chairman and CEO of the OP-Pohjola Group, Member of the Board since March 2006	Federation of Finnish Financial Services: Deputy 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 Bank 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 Bank Group Central Cooperative, Member of the Board since January 2007	The OP Bank Group Central Cooperative: Vice Chairman of the Executive Board, Luottokunta: Chairman of the Board of Directors
Ms Merja Auvinen	Managing Director, Savonlinnan Osuuspankki, Member of the Board since March 2006	

Mr Erkki Böös	Senior Executive Vice President of the OP Bank Group Central Cooperative, Head of Customer Care Services and Sales Channels, Member of the Board since March 2006	The OP Bank Group Central Cooperative: Member of the Executive Board
Mr Eino Halonen	President and CEO, Suomi Mutual Life Assurance Company, Member of the Board since March 2006	Cramo Plc: Member of the Board of Directors, Ilmarinen Mutual Pension Insurance Company: Member of the Board of Directors, Metsäliitto Cooperative: Member of the Board of Directors, Sato Corporation: Member of the Board of Directors, YIT Corporation: Member of the Board of Directors
Mr Simo Kauppi	Deputy Managing Director, Länsi-Suomen Osuuspankki, Member of the Board since March 2006	Lännen Puhelin Oy: Member of the Board of Directors
Ms Satu Lähteenmäki	Professor, Vice Rector of Turku School of Economics and Business Administration, Member of the Board since March 2006	Alko Inc: Member of the Board of Directors, Raisio plc: Member of the Board of Directors, SITRA: Member of the Board of Directors, Turku School of Economics and Business Administration: Member of the Board of Directors
Mr Harri Nummela	Executive Vice President of the OP Bank Group Central Cooperative, Head of Banking and Investment Services, Member of the Board since March 2007	The OP Bank Group Central Cooperative: Member of the Executive Board
Mr Heikki Vitie	Deputy President of the OP Bank Group Central Cooperative, Head of ITC and Human Resources Services, Member of the Board since March 2006	The OP Bank Group Central Cooperative: Member of the Executive Board
Mr Tom von Weymarn	Member of the Board since March 2006	Boardman Ltd: Partner and Member of the Board of Directors, CPS Color Oy: Member of the Board of Directors, Industri-Kapital Ab: Member of the Advisory Board, Kauko-Telko Ltd: Member of the Board of Directors, 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,  
The OP Bank Group  
Central Cooperative

The business address of each of the above and OKO 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 OKO Bank**

In 2003, Helsinki Stock Exchange, the Central Chamber of Commerce of Finland and the Confederation of Finnish Industry and Employers announced a recommendation for the Corporate Governance of listed companies ("**Recommendation**"). OKO Bank's management and control system partly deviates from the model presented in the Recommendation. The deviations and reasons for deviating from the Recommendation are the following:

OKO Bank's current management and control system is based on the OKO Bank's role as a part of the OP-Pohjola Group and the Central Cooperative. OKO Bank belongs to the amalgamation of the OP-Pohjola Group as stated in the Cooperative Bank Act and is a subsidiary of the Central Cooperative. In addition to other tasks, the Central Cooperative is responsible for strategic supervision and control of the OKO Bank and the OP-Pohjola Group.

OKO Bank's former Executive Board initiated a survey of reforming the Bank's corporate governance in September 2004. The survey was based on the Recommendation.

OKO Bank's operations are based on compliance with the Finnish laws in force and regulations issued by virtue of these laws. In addition to the Finnish Companies Act (*Osaakeyhtiölaki 21.7.2006/624 as amended*), OKO Bank complies with regulations concerning listed companies, regulations concerning financing and insurance companies, as well as the Articles of Association of OKO Bank. Furthermore, OKO Bank complies with the insider guidelines of the Helsinki Stock Exchange as well as the Corporate Governance recommendation for listed companies. However, for reasons attributable to the OP-Pohjola Group structure, OKO Bank's management and control system deviates from some of the recommendations.

Recommendations 10 and 12, which deal with the election of the directors and the term of the directors, cannot be complied with because the General Meeting does not appoint the Chairman or deputy Chairman of the Board of Directors, whose term of office continues until further notice. Recommendation 17, which deals with the number of independent directors, cannot be complied with because the majority of the members of the Board of Directors are not independent of the Bank. Recommendation 29, which deals with the independence of the members of the audit committee, cannot be complied with because all of the members of the audit committee are not independent of the Bank and Recommendation 31, which deals with the establishment of the nomination committee, cannot be complied with because the Bank does not have a nomination committee established by the Board of Directors.

At its General Meeting held on March 30, 2006, the Bank amended the Articles of Association so that the Supervisory Board was abolished and a Board of Directors that does not include persons from the Bank's active management was elected.

#### **Shares and Major Shareholders**

OKO Bank's shares are divided into Series A and Series K shares. Series A shares are intended for the general public and are quoted on the Helsinki Stock Exchange at Nordic List, whereas the ownership of series K shares is restricted to companies and entities that are part of the OP-Pohjola Group. The share series also differ in other respects: at shareholders' meetings, Series A shares entitle their holders to one vote while Series K shares carry five votes each. Furthermore, Series A shares entitle their holders to an annual dividend that is at least one percentage point higher than the dividend paid on Series K shares.

30 September, 2007	Series A	Series K	Total
Share capital, EUR	335 679 709	91 937 755	427 617 463
No. of shares	159 564 128	43 786 772	203 350 900
Percentage of share capital(%)	78.5	21.5	100.0
Votes per share	1	5	
Percentage of votes(%)	42.2	57.8	100.0

In accordance with the conversion clause in OKO Bank's Articles of Association, the Member Cooperative Banks converted 194 580 Series K shares into an equivalent number of Series A shares. The share conversion did not have an effect on the share capital.

At the end of the year 2006, there were a total of 203 million shares, or 2 million more shares than a year earlier. Series A shares represented 78.4 per cent. of all shares. At the end of the year 2006, OKO Bank had no own shares and the General Meeting has not given an authorisation to acquire own shares.

OKO had approximately 32 200 registered shareholders at the end of the year 2006. The number was 2 500 higher than the previous year. Approximately 95 per cent. of the shareholders were private individuals. The largest individual shareholder was OKO Bank's parent corporation, the Central Cooperative, which held 29.9 per cent. of all shares and 56.9 per cent. of the votes. The share of nominee registered shares was 19.7 per cent, nearly the same as a year earlier.

#### Major Shareholders in Terms of Voting Rights

As at 30 September, 2007, OKO Bank had 32,218 registered shareholders, of which approximately 95 per cent. of such shareholders were private persons. The largest individual shareholder was the parent company of OKO Bank, the Central Cooperative, which held 29.9 per cent. of the shares and 56.9 per cent. of the votes in OKO Bank.

#### Principal Shareholders

The following table sets forth the largest shareholders of the Bank and their holdings on 30 September, 2007. On 30 September, 2007 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, 2007:

	Number of Shares		Total Number of Shares	% of Shares	% of Votes
	Series A	Series K			
Central Cooperative	22,236,657	38,589,240	60,825,897	29.9	56.9
Suomi Mutual Life Assurance Company	20,833,700		20,833,700	10.2	5.5
Ilmarinen Mutual Pension Insurance Company	20,335,090		20,335,090	10.0	5.4
Oulun Osuuspankki	1,600,000	1,012,400	2,612,400	1.3	1.8
OP Bank Group Pension Fund	1,880,793		1,880,793	0.9	0.5
OP Bank Group Pension Foundation	1,800,000		1,800,000	0.9	0.5
Länsi-Suomen Osuuspankki	699,204	252,720	951,924	0,5	0,5
Varma Mutual Pension Insurance Company	900,000		900,000	0.4	0.2
Investment Fund OP-Suomi Arvo	864,564		864,564	0.4	0.2
Etelä-Karjalan Osuuspankki	850,284		850,284	0.4	0.2
Total	72,000,292	39,854,360	111,854,652	53.9	71.7

On 30 September, 2007, the total number of nominee registered series A-shares was 35,249,723, which constituted 17.3 per cent. of all shares and 9.3 per cent. of all votes.

## Major Shareholders of Series A-shares

As at 30 September, 2007, the 10 largest shareholders according to the share register were:

	% of series A-shares
OP Bank Group Central Cooperative	13.9
Suomi Mutual Life Assurance Company	13.1
Ilmarinen Mutual Pension Insurance Company	12.7
OP Bank Group Pension Fund	1.2
Op Bank Group Pension Foundation	1.1
Oulun Osuuspankki	1.0
Varma Mutual Pension Insurance Company	0.6
Investment Fund OP-Suomi Arvo	0.5
Etelä-Karjalan Osuuspankki	0.5
The State Pension Fund	0.5

Further, as at 30 September, 2007, nominee registered series-A shares constituted 22.1 per cent. of all series A-shares.

## Material Contracts

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

## Legal Proceedings

OKO Bank is not involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which OKO Bank is aware), during the previous 12 months which may have, or have had in the recent past, significant effects on OKO Bank Group's financial position or profitability. OKO Bank is party to an arbitration concerning the redemption price for the shares of former Pohjola, however OKO Bank does not expect this arbitration to have a significant effect on OKO Bank Group's financial position or profitability. The redemption price was solved by the Arbitral Tribunal appointed by the Redemption Committee of the Central Chamber of Commerce. In addition OKO Bank is party to an arbitration concerning the shareholder agreement dispute which however doesn't have a significant effect on OKO Bank Group's financial position or profitability. For more information on these both arbitrations, please see "Recent Events" below.

## Recent Events

### *Acquisition of former Pohjola*

The merger of Pohjola Group Ltd (Pohjola) with its parent company OKO Bank was entered in the Finnish Trade Register on 31 December 2006. The merger aimed at streamlining the corporate structure of the OKO Bank Group, at increasing the efficiency of business and at cutting administrative costs. As an internal corporate restructuring, the merger did not have any major impact on the amount of the shareholders' equity and distributable funds of OKO Bank or on the Group's capital adequacy or earnings. After the merger, Pohjola Non-Life Insurance Company Ltd, A-Insurance Ltd, Eurooppalainen Insurance Company Ltd and the Seesam non-life insurance companies operating in the Baltic States continue operations as subsidiaries of OKO Bank and together form the Non-life Insurance business line of the OKO Bank Group. No consideration was paid for the merger because the Bank owned all shares of Pohjola. OKO bought the majority of Pohjola shares which was followed by a tender offer and redemption of the remaining shares.

On 13 June 2006 the Arbitral Tribunal appointed by the Redemption Committee of the Central Chamber of Commerce confirmed OKO Bank's right to gain possession of Pohjola's minority shares against collateral. OKO Bank provided collateral on the same day, after which the quotation of Pohjola shares and options on the Helsinki Stock Exchange ceased. On 29 June 2006, OKO Bank paid the former minority shareholders of Pohjola entitled to redemption (15 215 137 shares) EUR 13.35 per share in redemption price and, on this amount, an interest of 2.50% as of 13 June 2006.

The Arbitral Tribunal decided on 2 May 2007 to set the redemption price of the shares in Pohjola Group at EUR 14.35 per share. The Tribunal confirmed the annual interest payable on the redemption price from 13 June to 30 June 2006 at 5.5% and from 1 July 2006 at 6.0%. The redemption price set by the Tribunal was EUR 1.00 higher than the redemption price of EUR 13.35 per share offered by OKO Bank.

OKO Bank and approximately 76.9% of the former Pohjola's minority shareholders have agreed that the arbitral award issued by the Arbitral Tribunal on 2 May 2007, regarding the redemption price of Pohjola shares, will remain final between the parties involved and that the parties will not present claims against one another in the district court. OKO Bank paid the amounts of the arbitral award, plus interest, only to minority shareholders who have notified OKO Bank of accepting the arbitral award 13 July 2007.

In other respects, the redemption dispute on Pohjola shares held by minority shareholders continues at the Helsinki District Court. This concerns the redemption price to be determined for approx. 3.5 million Pohjola shares. OKO Bank has appealed that the share price of EUR 13.35 which it offered earlier be confirmed as the redemption price. In addition to OKO Bank, some other individual minority shareholders and the special representative have appealed the arbitral award.

#### *Arbitration court ruling in shareholder agreement dispute*

In April 2007 a court of arbitration obligated OKO Bank to pay 32 savings banks a total of around EUR 8.8 million in liquidated damages, plus interest and expenses. The impact of the arbitration court ruling on the OKO Bank first quarter consolidated earnings before tax is around EUR 10 million. In accordance with the ruling of the arbitration court, Pohjola Group plc (Pohjola) had substantially violated provisions in the shareholder agreement on Nooa Savings Bank Ltd.

The dispute on the shareholder agreement was related to the transaction through which OKO Bank, on 12 September 2005, acquired the majority shareholding in Pohjola from Suomi Mutual Life Assurance Company and Ilmarinen Mutual Pension Insurance Company. After the transaction, cooperation between the savings banks and Pohjola regarding Nooa Savings Bank came to an end.

#### *Name change*

The Board of Directors of OKO Bank and OP Bank Group Central Cooperative's Supervisory Board decided on 12 September 2007 that the name of OP Bank Group would change to OP-Pohjola Group and OKO Bank plc to Pohjola Bank plc. The name change of OKO Bank plc was approved by the Extraordinary Shareholders' Meeting on 9 October 2007. The new name is scheduled to be adopted on 1 March 2008. The OP Bank Group name change will be effective immediately as of 12 September 2007.

The new names will combine banking, investment and non-life insurance operations and two strong Finnish brands with long tradition. The Pohjola acquisition changed OKO Bank's structure and business content dramatically, and the name change will bring all operations under a single name and brand. The Pohjola brand is extremely well known by consumers, businesses and other organisations. Half of OKO Bank's business concerns non-life insurance and the other half is mainly done with large companies and organisations. Therefore Pohjola was an appropriate name for the company

The name changes of OP Bank Group and OKO Bank will not affect the names of member cooperative banks in any way. Nor will the products and services of retail customers be affected. Non-life insurance will still be sold under the Pohjola brand, while bank products are provided by the cooperative banks.

The names of OKO Bank's major subsidiaries will be/has been changed to conform with the Pohjola brand: OKO Asset Management Limited has been changed to Pohjola Asset Management Ltd, OKO Venture Capital Ltd will be changed to Pohjola Capital Partners Ltd and OKO Corporate Finance Ltd to Pohjola Corporate Finance Ltd. Moreover, Pohjola Non-Life Insurance Company Ltd will be changed to Pohjola Insurance Ltd.

## INFORMATION ON OP-POHJOLA GROUP AND THE CENTRAL COOPERATIVE

### Information Related to OP-Pohjola Group and the Central Cooperative

OP-Pohjola Group (“OP-Pohjola Group” or the “Group”) is a Finnish financial entity that is regulated by special Finnish legislation based on the 3rd article on the EU directive 2006/48/EU which same model was first established in the First EC Banking Directive of the year 1977. There are, however, several examples of this operation model elsewhere in Europe, e.g. Dutch Rabobank. Within OP-Pohjola Group’s central institution, the Central Cooperative, the highest decision-making authority rests with the general meeting of the cooperative and the Supervisory Board elected by the general meeting. 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 Bank Group Central Cooperative, Teollisuuskatu 1b, FI-00510 Helsinki, Finland and its telephone number is +358 10 252 010. OP-Pohjola Group financial period is a calendar year.

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

The amalgamation of the cooperative banks in its present form began operations on 1 July, 1997. OP-Pohjola Group’s operations are based on an amendment to the Cooperative Bank Act. The acts establishing the legal provisions for cooperative banking are the Credit Institution Act and the Cooperative Bank Act. Due to the amendment to the Cooperative Bank Act, the position of OP-Pohjola Group as an entity subject to financial monitoring was clarified. The amendment also strengthened the operational framework of the independent and local Member Cooperative Banks by, *inter alia*, permitting certain flexible arrangements in the application of the provisions of the Credit Institution Act.

The OP-Pohjola Group comprises (a) the OP Bank Group Central Cooperative, (the Central Cooperative) (in Finnish Osuuspankkikeskus Osk) as the OP-Pohjola Group’s central institution, (b) 229 member cooperative banks (the Member Cooperative Banks), (c) OKO Bank plc as a 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 the section 2, paragraph 3 of the Cooperative Bank Act, the Member Credit Institutions consists of the OKO 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. The Supervisory Board of the Central Cooperative takes decisions on admitting new members.

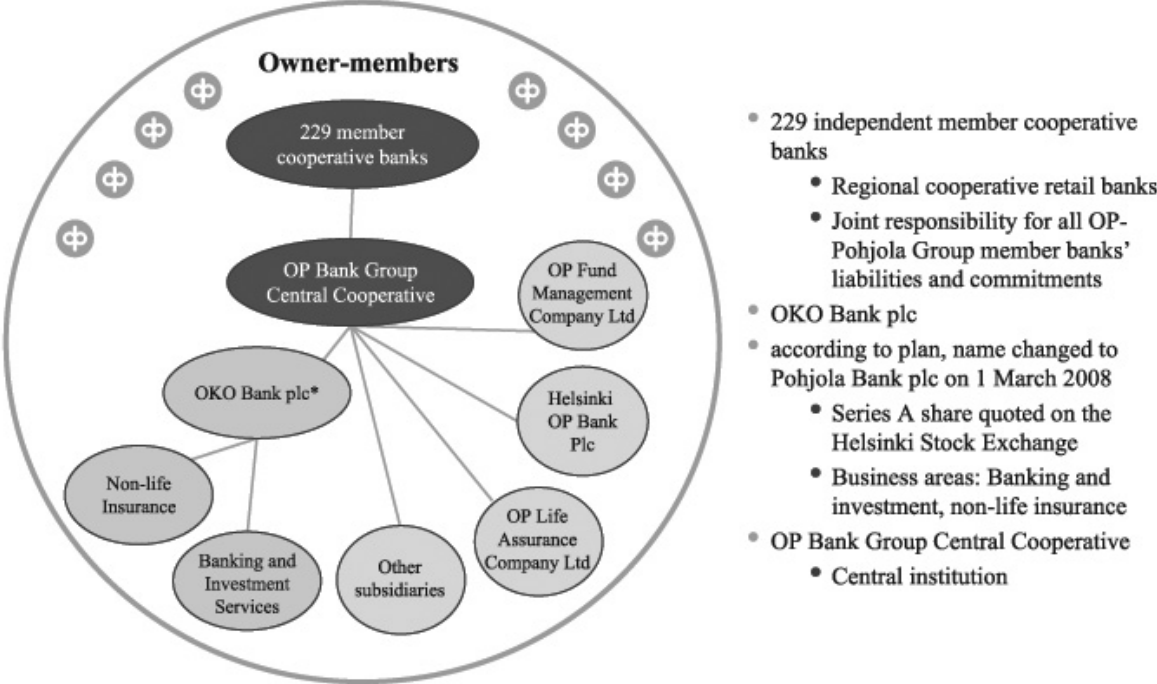
OP-Pohjola Group does not form a corporate group as defined in the Accounting Act (*Kirjanpitolaki 30.12.1997/1336*, as amended) or a consolidation group as defined in the Credit Institution Act. Under Finnish laws on bank supervision, OP-Pohjola Group is monitored on a consolidated basis.

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 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 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 the section 2, paragraph 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 the 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, the OP-Pohjola Group is considered as one credit institution. The OP-Pohjola Group’s consolidated liquidity must be safeguarded adequately in relation to the OP-Pohjola Group’s operations.

If a Member Credit Institution’s own funds are, due to losses, 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 OKO Bank Group**



For more information on the OP-Pohjola Group and OKO Bank Group see the section entitled “The Company Structure of OKO Bank Group” on page 56.

**OP Bank Group Central Cooperative’s Subsidiaries**

**OKO Bank** is a commercial bank which acts as OP-Pohjola Group’s central bank and is responsible for the Group’s liquidity and for handling its international operations. OKO Bank’s business divisions are Corporate Banking, Markets, Group Treasury and Asset Management.

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. In selling its life insurances OP Life Assurance Company Ltd makes use of the service network of the Member Cooperative Banks and OKO Bank as well as the Group’s Internet services.

**OP Fund Management Company Ltd** manages OP-Pohjola Group’s mutual funds. In selling its mutual funds OP Fund Management Company Ltd makes use of the service network of the Member Cooperative Banks and Helsinki OP Bank plc as well as the Group’s Internet services.

**OP Mortgage Bank (in Finnish OP-Asuntoluottopankki Oyj)**, grants long-term home mortgages through Member Cooperative Banks against full collateral. OP Mortgage Bank funds its operations by issuing covered notes under the EUR 5,000,000,000 Euro Medium Term Covered Note Programme.

**OP-Kotipankki Oyj** specialises in the sale and management of unsecured consumer credits. OP-Kotipankki Oyj’s main products are credits associated with OP-Pohjola Group’s cards.

**FD Finanssidata Oy** is an IT services company, which integrates the Group’s IT systems and it provides the Group with IT maintenance and production services.



### *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*

Share of ownership, 30 September, 2007, %	Member Cooperative Banks	OP Bank Group Central Cooperative	OKO Bank Group	Group total
OP Bank Group Central Cooperative	100.0		0.0	100.0
OKO Bank Plc	12.7	30.2		42.9
Pohjola Non-Life Insurance Company 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 Asset Management Ltd			86.5	86.5
OKO Corporate Finance Ltd			76.0	76.0
Pohjola Property Management Ltd			100.0	100.0
OKO Venture Capital Ltd			100.0	100.0
OKO Capital East Oy			70.0	70.0
Pohjola IT-Procurement Ltd			100.0	100.0
OP Life Assurance Company Ltd	16.4	74.6	9.0	100.0
Helsinki OP Bank Plc		100.0		100.0
OP-Kotipankki Oyj	60.7	22.5	16.9	100.0
OP Mortgage Bank		100.0		100.0
OP Fund Management Company Ltd		100.0		100.0
FD Finanssidata Oy		70.0		70.0
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 business 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 interest supervision.

The purpose of the Central Cooperative as OP-Pohjola Group's central unit is, according to section 2 of the Central Cooperative's statutes, for example to contribute and support impartially its Member Cooperative Bank's and OP-Pohjola Group's development and cooperation. With this purpose Central Cooperative develops and takes care of Member Cooperative Bank's and OP-Pohjola Group's centralised services, develops OP-Pohjola Group's business activities, takes care of OP-Pohjola Group's strategic guidance and interest supervision, takes care as the central unit of the obligation to issue guidelines and exercise supervision and acts as the strategic owner community of OP-Pohjola Group.

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

The OP-Pohjola Group had market shares of nearly 33 per cent. in deposits, whereas the main competitors Nordea Pankki Suomi Oyj and Sampo Bank plc had approximately 35 per cent. and 14 per cent. respectively at the end of year 2006. The OP-pohjola Group's loan portfolio stood at 39,4 billion at the end of year 2006, equating to a market share of over 31 per cent. in loans, whereas Nordea Pankki Suomi Oyj had 33 per cent. and Sampo Bank plc had nearly 14,5 per cent. of the market. The OP-Pohjola Group's market share of the mutual funds market was nearly 22 per cent. at the end of year 2006, whereas the market share of Nordea Pankki Suomi Oyj was over 31,6 per cent. and the market share of Sampo Bank plc was 18 per cent. As a result of the acquisition of Pohjola, the OP-Pohjola Group's share of insurance premium income was slightly over 28 per cent. in life insurance at the end of year 2006 whereas Nordea Pankki Suomi Oyj's market share was slightly smaller than 28 per cent. and Sampo Bank plc's approximately 22 per cent. The three biggest participants in the Finnish non-life

insurance market are If, Pohjola and Tapiola, with market shares of 28 per cent., 26 per cent. and 21 per cent. respectively.\*<sup>1</sup>

At the end of 2006, the OP-Pohjola Group operated in approximately 670 locations and 175 of these offered both banking and non-life insurance services. The customer base of 3.2 million banking customers and 1.6 million non-life insurance customers are served through the most extensive distribution network in Finland.

At the end of 2006, the OP-Pohjola Group had a payroll of 12,139 employees. The OP-Pohjola Group's multichannel service network comprises outlets, online services and contact centre facilities.

### **Member Cooperative Banks**

The Member Cooperative Banks are independent, local deposit banks that are engaged in retail banking. 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 the public sector. 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 Bank Group Central Cooperative**

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

### ***Supervisory Board OP Bank Group Central Cooperative***

The Central Cooperative's Supervisory Board has 36 members (according to the statutes, a minimum of 32 and a maximum of 36). Mr Seppo Penttinen acts as its chairman and Mr Paavo Haapakoski 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 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 inspection committee appointed by the Supervisory Board.

Finland is divided into 16 federations of Member Cooperative Banks, which are regional cooperation bodies for the Member Cooperative Banks. They name the candidates from their areas to the Supervisory Boards of the Central Cooperative. There were 229 Member Cooperative Banks as of 30 September, 2007.

### ***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 depute members (according to the statutes, a maximum of four).

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

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<sup>1</sup>\*In respect of the loans and deposits, these statements are sourced from the statistics of the Bank of Finland and the result bulletins of each bank. 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.

*Ordinary Members:*

- Mr Reijo Karhinen, – Executive Chairman of the OP-Pohjola Group  
*Chairman of the Executive Board*
- Mr Tony Vepsäläinen, – President of the Central Cooperative  
*Vice Chairman of the Executive Board*
- 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 Matti Korkeala – Executive Vice President and Head of Card Services and Consumer Lending of the Central Cooperative

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

Office address of the members and deputy members of the Executive Board: Osuuspankkikeskus Osk, Teollisuuskatu 1 b, FI-00510 Helsinki, Finland.

On 1 January, 2007, the members and deputy members of the Central Cooperative's Executive Board owned a total of 20,438 OKO Bank series A-shares. In addition, the related parties to the Executive Board owned a total of 4,000 OKO Bank A-shares.

***President***

The Central Cooperative has a president appointed by the Supervisory Board. The duty of the president is to administer the Bank's day-to-day administration in accordance with the guidelines and regulations set by the Executive Board. Currently the president of Central Cooperative is Mr Tony Vepsäläinen, office address: 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 auditors during the last two financial periods were: KPMG Oy Ab, Authorised Public Accountants, Mannerheimintie 20 B, FI 00100 Helsinki, Finland, Hannu Niilekselä, Authorised Public Accountant being the main responsible auditor.

***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 1 190 000 are the Member Cooperative Banks' owner-members. Owner-members are customers who use the services of a Member Cooperative Bank. It follows naturally from this combination of ownership and customership that the benefit and added value of the 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 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 man – 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 696 million at the end of 2006.

### **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 security holders in respect of the securities issued.

### **Legal Proceedings**

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

### **Risk-bearing Capacity and Capital Adequacy**

OP-Pohjola Group as a financial conglomerate measures the 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. The OP-Pohjola Group's risk limit for this capital adequacy ratio is 1.2, whereas the Act specifies a minimum level of 1. At the end of the year, the ratio of own funds to the minimum amount was 1.56, compared with 1.69 at the end of the previous year. The OP-Pohjola Group's own funds at the end of the year were EUR 1 082 million greater than the Group's risk limit would have required, and EUR 1 682 million greater than the statutory limit. A year earlier the corresponding figures were EUR 1 281 million and EUR 1 799 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 ratio according to the Credit Institution Act at the end of the year 2006 was 14.3 per cent., 0.3 per cent. lower than at the end of the previous year, when the statutory minimum level is 8 per cent.. The net profit less the payout proposed by OP-Pohjola Group companies has been included in own funds. Own funds grew by 9.0 per cent. to EUR 4.8 billion and risk-weighted receivables, investments and off-balance sheet commitments increased by 11.7 per cent to EUR 33.7 billion. Tier I own funds totalled EUR 4.3 billion. Tier I own funds included EUR 83 million of cooperative contributions withdrawn by the Member Cooperative Banks' owner-members. OP Bank Group's Tier II own funds at the end of the year 2006 amounted to EUR 0.9 billion. The capital adequacy ratio calculated with Tier I own funds was 12.7 per cent.

**Capital Adequacy, according to the Credit Institutions Act**

EUR million (At the end of the year, 2006)	2006 (IFRS, audited)	2005 (IFRS, audited)	2004 (FAS, audited)	2003 (FAS, audited)	2002 (FAS, audited)
Own funds					
Tier I	4,271	3,951	3,686	3,243	2,886
of which subordinated capital notes	224	224	74	–	–
Tier II	886	760	455	445	460
Mandatory adjustments	(349)	(302)	(92)	(127)	(112)
<b>Total</b>	<b>4,808</b>	<b>4,409</b>	<b>4,050</b>	<b>3,562</b>	<b>3,234</b>
Risk-weighted receivables, investments and off-balance sheet items	33,718	30,194	25,577	23,173	21,265
Capital adequacy ratio, %	14.3	14.6	15.8	15.4	15.2
Tier I ratio, %	12.7	13.1	14.4	14.0	13.6

The acquisition of Pohjola provides goodwill, which decreases the own funds of the OP-Pohjola Group. In addition, the minimum operating capital of non-life and life insurance businesses calculated in accordance with the Insurance Companies Act is deducted from the aggregate amount of OP-Pohjola Group's Tier I and Tier II funds.

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

EUR million	2006 (IFRS, audited)	2005 (IFRS, audited)
OP-Pohjola Group's equity capital	5,124	4,757
Business-segment-specific items	1,577	1,518
Goodwill and intangible assets	(1,133)	(1,059)
Items included in equity capital and business- segment-specific items, which cannot be included in the conglomerate's own funds	(883)	(828)
<b>Conglomerate's own funds, total</b>	<b>4,685</b>	<b>4,388</b>
<b>Minimum amount of the conglomerate's own funds (= own funds requirement)</b>	<b>3,002</b>	<b>2,589</b>
<b>Conglomerate's solvency</b>	<b>1,682</b>	<b>1,799</b>
<b>Conglomerate's solvency ratio (own funds/minimum amount of own funds)</b>	<b>1.56</b>	<b>1.69</b>

After the acquisition of Pohjola, 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 was calculated at the end of 2005 for the first time also in accordance to the Act.

At the end of 2003, O-Pohjola Group received from the Finnish Financial Supervision Authority an exemption permitting the non-deduction of the capital investments which the Member Cooperative Banks have made in the private equity funds managed by OKO Venture Capital Ltd from O-Pohjola Group's own funds to the extent that the private equity fund in question has not invested the assets in credit or financial institutions. The exemption is in force until December 31, 2009. The effect of the change in the accounting practice on the amount of OP-Pohjola Group's own funds and on its capital adequacy ratio is very small.

The most important objective of OP-Pohjola Group's risk management is to safeguard the riskbearing 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 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.

In 2006 the key ratios for the risk exposure were better than the risk limits set by OP-Pohjola Group. At the end of 2006, OP-Pohjola Group's capital adequacy ratio pursuant to the Credit Institution Act was 14.3 per cent. The capital adequacy including Tier I funds were 12.7 per cent. OP-Pohjola Group's capital adequacy according to the Act on the Supervision of Financial and Insurance Conglomerates was 1.56.

***OP-Pohjola Group key indicators***

	<b>2006</b>	<b>2005</b>	<b>Change*</b>
Earnings before tax, EUR million	800	579	38
Cost/income ratio, %	55.4	55.3	0.1
Impairment losses on the loan and guarantee portfolio, %	0.02	0.02	0.0
Return on equity, %	12.1	11.2	0.9
Return on equity at fair values, %	11.4	13.5	(2.1)
Average personnel	12 148	9 839	23
	<b>31 Dec. 2006</b>	<b>31 Dec. 2005</b>	<b>Change*</b>
Total assets, EUR billion	59.5	52.8	13
Capital adequacy			
Ratio of own funds to the minimum amount of own funds**	1.56	1.69	(0.13)
Tier 1 ratio, %***	12.7	13.1	(0.4)
Market share, %			
Of total loans	31.1	30.5	0.6
Of total deposits	32.7	31.9	0.8
Of capital invested in mutual funds	21.8	22.3	(0.5)
Insurance savings through life and pension policies	19.1	17.8	1.3

\* Percentage point change, except for earnings before tax, 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.

\*\* Pursuant to the Act on the Supervision of Financial and Insurance Conglomerates

\*\*\* Pursuant to the Credit Institutions Act.

## 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 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%. 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.

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 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 in one of those territories.

### 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 Banc of America Securities Limited, 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, OKO 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 9 November 2007 (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.

### *The United States of America*

The Instruments have not been and will not be registered under the United States Securities Act of 1933 (the “**Securities Act**”) and may not be offered or sold within the United States or to or for the account or benefit of U.S. persons 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 under the Securities Act.

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, and regulations thereunder.

Each Dealer has agreed that, except as permitted by the Dealership Agreement, it will not offer, sell or deliver 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 relating thereto 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.

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 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 FROM TIME TO TIME, (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 9 NOVEMBER 2007, AS AMENDED FROM TIME TO TIME, RELATING TO THE INSTRUMENTS. THE HOLDER HEREOF, BY PURCHASING THIS INSTRUMENT, AGREES FOR THE BENEFIT OF OKO 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 AN INSTITUTIONAL INVESTOR THAT THE HOLDER REASONABLY BELIEVES IS 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, (5) TO AN INSTITUTIONAL INVESTOR THAT IS AN ACCREDITED INVESTOR WITHIN THE MEANING OF REGULATION D UNDER THE SECURITIES ACT THAT HAS DELIVERED TO THE REGISTRAR A SIGNED INVESTMENT LETTER IN THE FORM OF SCHEDULE 9 TO THE FISCAL AGENCY AGREEMENT, OR (6) 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.

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.

#### *Selling Restrictions Addressing Additional United Kingdom Securities Laws*

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) *No deposit-taking*: in relation to any Instruments having a maturity of less than one year:
  - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
  - (ii) it has not offered or sold and will not offer or sell any Instruments other than to persons:
    - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
    - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Instruments would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (“FSMA”) by the Bank;

- (b) *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 does not apply to the Bank; and
- (c) *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 Securities and Exchange Law of Japan 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 offering solicitation 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.

Each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver any Instruments or distribute copies of the Base Prospectus or any other document relating to the Instruments in Italy except to “**Professional Investors**”, as defined in Article 31.2 of Consob Regulation No. 11522 of 1 July 1998, as amended (“**Regulation No. 11522**”), pursuant to Article 30.2 and Article 100 of Legislative Decree No. 58 of 24 February 1998 (“**Decree No. 58**”) and/or to “Qualified Investors” pursuant to Article 100 of Decree No. 58 and to Article 2(e) of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003; or in any other circumstances where an expressed exemption to comply with the restrictions on offerings to the public provided under Decree No. 58 or Article 33.1 of Consob Regulation No. 11971 of 14 May 1999 applies.

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 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. 385**”), Decree No. 58, Regulation No. 11522 and any other applicable laws and regulations;
- (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 meetings of the Board of Directors of the Bank held on 25 September 2007.

### Auditors

2. The consolidated balance sheet and the consolidated income statements of the OKO Bank Group and the OP-Pohjola Group for the years ending 31 December, 2005 and 31 December, 2006 (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 Hannu Niilekselä for the years 2005 and 2006 and Sixten Nyman for the year 2007), 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 FSA and to trading on the gilt edged and fixed interest 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 gilt edged and fixed interest 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 OKO Bank Group or the OP-Pohjola Group since 30 September, 2007.

### No Material Adverse Change

5. There has been no material adverse change in the prospects of the OKO Bank Group or the OP-Pohjola Group since 31 December, 2006.

### 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 OKO 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 OKO Bank Group in respect of the years ended 31 December, 2005 and 31 December, 2006;
- (vi) the unaudited interim consolidated financial statements of the OKO Bank Group for the period 1 January to 31 March, 2007;
- (vii) the unaudited interim consolidated financial statements of the OKO Bank Group for the period 1 April to 30 June, 2007;

- (viii) the unaudited interim consolidated financial statements of the OKO Bank Group for the period 1 July to 30 September, 2007;
- (ix) this Base Prospectus;
- (x) the Issuer – ICSDs Agreement; 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**

**Banc of America Securities Limited**  
5 Canada Square  
London E14 5AQ

**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

**OKO 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*

**OKO 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

