

## PRICING SUPPLEMENT

### NORDEA BANK FINLAND PLC

Issue of up to EUR 10,000,000<sup>1</sup>

Credit-Linked Private Placement Front Strategy

Issued under the

Nordea Bank Finland Plc Private Placement Debt Issuance Platform

### PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Private Placement Memorandum dated 2 July 2007 (the "**Private Placement Memorandum**"). This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with such Private Placement Memorandum. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Private Placement Memorandum. The Private Placement Memorandum is available for viewing at the office of the Issuer and copies may be obtained from the office of the Issuer.

**An investment in the Notes is associated with certain risks. The credit risk of the Notes includes that of the Reference Company.**

Since the date of the Private Placement Memorandum the Issuer's rating has changed. The long term debt rating of the Issuer on the date of this Pricing Supplement is set forth in the table below and the Private Placement Memorandum is hereby amended accordingly. The Notes issued under this Pricing Supplement are not rated.

	<b>Moody's Investor Service</b>	<b>Standard &amp; Poor's</b>	<b>Fitch</b>	<b>DBRS</b>
Nordea Bank Finland Plc	Aa3	AA-	AA-	AA

1. Issuer: Nordea Bank Finland Plc
2. (i) Series Number: 7033
3. Specified Currency or Currencies: Euro ("EUR")
4. Aggregate Nominal Amount: Up to EUR 10,000,000<sup>2</sup>
5. Issue Price: Variable, approximately 100 per cent. of the Aggregate Nominal Amount.
6. Specified Denomination: EUR 1,000.  
The Minimum Subscription Amount EUR

---

<sup>1</sup> Estimated aggregate nominal amount. The issued aggregate nominal amount will be confirmed on the Issue Date.

<sup>2</sup> Estimated aggregate nominal amount. The issued aggregate nominal amount will be confirmed on the Issue Date.

		10,000.
7.	(i) Issue Date:	11 June 2013
	(ii) Interest Commencement Date:	Not Applicable
8.	Maturity Date:	17 July 2018 (“the Scheduled Maturity Date”) or Deferred Maturity Date (further particulars specified in Annex I).
9.	Interest Basis:	Not Applicable
10.	Redemption at par	Not Applicable
11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	Status of the Notes:	Unsubordinated
14.	Method of distribution:	Non-syndicated

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15.	<b>Fixed Rate Note Provisions</b>	Not Applicable
16.	<b>Floating Rate Note Provisions</b>	Not Applicable
17.	<b>Zero Coupon Note Provision</b>	Not Applicable
18.	<b>Index-Linked Note/other variable-linked interest Provisions</b>	Not Applicable
19.	<b>Dual Currency Note Provisions</b>	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

20.	<b>Call Option</b>	Not Applicable
21.	<b>Put Option</b>	Not Applicable
22.	<b>Final Redemption Amount</b>	The Final Redemption Amount is determined on the basis of the performance of the Reference Assets set out in Annex I.
23.	<b>Early Redemption Amount</b>	Such percentage per Specified Denomination as determined by the Issuer.

Early Redemption Amount payable on redemption for taxation reasons: Applicable

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes: Bearer Notes:  
Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on 40 days' notice/at any time/in the limited circumstances specified in the Permanent Global Note.
25. Additional cities for the purposes of the definition of Relevant Financial Centre or other special provisions relating to Payment Dates: TARGET, London and Helsinki.
26. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): No.
27. Details relating to Partly Paid Notes: Not Applicable
28. Details relating to Instalment Notes: Not Applicable
29. Consolidation provisions: Not Applicable
30. Other terms or special conditions: The Return, if any, on the Notes will be paid on the Maturity Date. It will be based on the performance of the Reference Portfolio Value and calculated by the Calculation Agent as set out in Annex III.

## DISTRIBUTION

31. Name of Dealers: Nordea Bank Finland Plc
32. Additional selling restrictions: **The Notes are issued under private placement exemptions and may not be further distributed or sold under circumstances that would require a prospectus pursuant to the Prospectus Directive (2003/71/EC) or any other laws or regulations.**

## 33. OPERATIONAL INFORMATION

- ISIN Code: XS0937877818
- Common Code: 093787781

Any clearing system(s) other than Not Applicable  
Euroclear and Clearstream,  
Luxembourg and the relevant  
identification number(s):

34. Delivery: Delivery against payment
35. Additional Paying Agent(s) (if any): Not Applicable

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

**NORDEA BANK FINLAND PLC**

## ANNEX I

(this Annex forms part of the Pricing Supplement to which it is attached)

**PRICING SUPPLEMENT  
NORDEA BANK FINLAND PLC  
Issue of up to EUR 10,000,000  
Credit-Linked Private Placement Front Strategy**

**Issued under the  
Nordea Bank Finland Plc Private Placement Debt Issuance Platform**

### **Additional Definitions and Conditions relating to Redemption and Credit Events**

#### **Section 1. Redemption**

Final Redemption Amount: Means an amount calculated by the in its sole and absolute discretion acting in a commercially reasonable manner in accordance with the following formula:

**A. If Sum of Weights is at or below 50%:**

Adjusted Notional Amount per Denomination = EUR 1,000

**B. If Sum of Weights is higher than 50%:**

Adjusted Notional Amount per Denomination = EUR 1,000 –  
EUR 1,000 × (Sum of Weights - 50%) x Gearing Factor

where Sum of Weights is the sum of the weights for the Reference Entities that have had a Credit Event, Gearing Factor is 50 divided by 25 and where only one Credit Event of each Reference Entity is considered.

The Adjusted Notional Amount per Denomination will be rounded down to two decimals.

The number of Credit Events which the Noteholder is protected against is initially (assuming no Succession Event(s) has occurred for the relevant Reference Entities) up to and including 25 Credit Events.

The number of Credit Events, which the Noteholder is protected against, as set out in A. and B. above and the initial weight of 2% for each Reference Entity, may be adjusted as a result of a Succession Event as set out under “Effect of Succession Event” below. This means that the number of Credit Events from which the Noteholder is protected against can turn out to be lower or higher than twenty five (25). It also means that the reduction in the Adjusted Notional Amount per Denomination as a result of a Credit Event in a Reference Entity, which has had a Succession Event, can be either higher or lower than 1/25 (equal to the initial weight multiplied by the Gearing Factor).

Deferred Maturity Date:

If the Issuer reasonably believes that a Credit Event has occurred during the Exposure Period but such Credit Event has not been confirmed in accordance with international market practice on or before the sixth (6) Business Day preceding the Maturity Date the Issuer is entitled to defer the Maturity Date. The Deferred Maturity Date shall be the tenth (10) Business Day following the date when it in accordance with international market practice has been confirmed whether a Credit Event has occurred.

The Issuer will inform the Noteholders of the deferral of the Maturity Date and a potential Credit Event at the latest on the fifth (5) Business Day preceding the Maturity Date.

## **Section 2. Reference Entities and Exposure Period**

Reference Entities:

The Reference Entities are the companies listed in the Markit iTraxx Europe Crossover index Series 19 and any Successor of any of the Reference Entities (“Reference Basket”). The Reference Entities are listed in Annex II. In case of a discrepancy between the iTraxx Europe Crossover index and the list of Reference Entities in Annex II, the iTraxx Europe Crossover index shall prevail.

For further information on the index see <http://www.markit.com>.

Reference Entity Weight

The weight of each Reference Entity in the Reference Basket is 2% on the 22 May 2013. If the number of Reference Entities in the Reference Basket changes during the Exposure Period, the Issuer reserves the right to amend calculation formulas to reflect that changed number of the Reference Entities in a commercially reasonable manner.

Exposure Period: The period from and including 7 June 2013 to and including 20 June 2018.

The Issuer is however entitled to announce a Credit Event which has occurred in a Reference Entity during a period of 60 calendar days before the beginning of the actual Exposure Period in accordance with international market practice.

The Issuer is also entitled to announce a Credit Event which has occurred during the Exposure Period, but of which the Issuer has not become aware until after the Exposure Period; however, within two week after the end of the Exposure Period.

### 3. Credit Events

Credit Event Announcement Date If the Issuer becomes aware of any Credit Event in respect of a Reference Entity, the Issuer will inform the Noteholders of the Credit Event.

Credit Event Determination Date A day determined by the Issuer on which a Credit Event has become public according to international market practice.

Credit Event Credit Event refers to an event which in the Issuer's opinion concerns a Reference Entity's Failure to Pay, Restructuring or Bankruptcy which the Issuer has become aware of on the Issue Date or thereafter; however, at the latest after two weeks of the termination of the Exposure Period. The Issuer bases its assessment on the English *2003 ISDA Credit Derivatives Definitions* published by the International Swaps and Derivatives Association, the *May 2003 Supplement to the ISDA Credit Derivatives Definitions* and generally approved and applied international practice. Below is a detailed description of the before-mentioned Credit Events.

(1) Failure to Pay Failure to pay means that a Reference Entity has, after the expiration of any applicable Grace Period, failed to pay one or more of its payments under the terms and conditions of a Debt Obligation in the relevant place of payment on the due date and the aggregate amount of an overdue payment or overdue payments is at least USD 1,000,000 (or its countervalue in another currency) when the Failure to Pay takes place.

(2) Restructuring :

(a) Restructuring means that one or more of the procedures referred to in subsections (i)-(v) are agreed on either between the Reference Entity or an authority and such credits of the Debt Obligation whose decisions are also binding on other creditors of the Debt Obligation in question, or that the Reference Entity or an authority announces or imposes one or more of the above procedures in a manner binding on all creditors of the Debt Obligation. For the procedure to be regarded as Restructuring, the Debt Obligation subject to the procedure must have more than three creditors that are independent of each other and at least two thirds of the creditors must give their consent to the procedure to be regarded as Restructuring. In addition, the aggregate amount of the Debt Obligation or Obligations subject to the procedure(s) referred to in subsections (i)-(v) must be at least USD 10,000,000 (or its countervalue in another currency) when the Credit Event occurs.

- (i) reduction of interest rate percentage or overdue amount of interest or accrued interest;
- (ii) reduction of principal amount or premium falling due on the maturity date, or reduction of the agreed redemption amount;
- (iii) postponement of payment date(s) or another postponement regarding either
  - (A) the amount of interest payable or accrual of interest or
  - (B) the redeemable principal or premium
- (iv) change of the status of a Debt Obligation to the effect that the Debt Obligation is assigned an inferior status relative to any other Debt Obligation, or
- (v) the currency or composition of payment of interest or principal is changed into any other than one of the following currencies:
  - (A) the legal tender of a G7 country (including future G7 countries, if G7 adopts new members), or
  - (B) the legal payment instrument of such a country which is on the date of the change a member of the OECD and whose domestic currency has a long-term credit rating of at least AAA according to Standard & Poor's of the McGrawHill Companies or another agency engaged in credit rating activities that has replaced it, at least Aaa according to Moody's Investor Service, Inc or another agency engaged in credit rating activities that has replaced it, or at least AAA according to Fitch Ratings or another agency engaged in credit rating activities that has replaced it.

(b) Without prejudice to section (a) above, none of the following events will be regarded as Restructuring:

- (i) payment of the interest or principal of a Debt Obligation denominated in the domestic currency of a member state of the European Union in euros when the member state has adopted or will adopt the common currency in accordance with the Treaty establishing the European Economic Community.
- (ii) when a procedure referred to in subsections (a) (i)–(v) originates, is agreed on or announced as a result of an administrative, accounting, taxation or technical adjustment or revision made in the course of ordinary business activities,
- (iii) if any of the events referred to in subsections (a) (i)–(v) occurs, is agreed on or announced under circumstances where such an event is not a direct or indirect result of deterioration in the creditworthiness or financial position of the Reference Entity.

(c) For the purposes of sections (a) and (b) above, Debt Obligation also means obligations for which the Reference Entity has given a guarantee as referred to in section Debt Obligation. In such a case, Reference Entity refers to the debtor of the guaranteed obligation in section (a) and to the Reference Entity in paragraph (b).

### (3) Bankruptcy

Bankruptcy means that a Reference Entity:

- (a) is dissolved (for reasons other than consolidation, merger or combination);
- (b) becomes insolvent or unable to repay its debts, or fails to fulfil its obligations or admits in writing in court proceedings, administrative proceedings or other official proceedings or in summons to be unable to repay its debt as they fall due;
- (c) makes a general surrender of business, debt reconciliation, corporate restructuring or debt restructuring with its creditors or for their benefit;
- (d) initiates proceedings or is subject to proceedings aiming at a verdict testifying to its insolvency or bankruptcy, or another verdict, based on bankruptcy or insolvency legislation or other corresponding legislation, to the detriment of its creditors, or if an application has been filed to dissolve the Reference Entity or start liquidation proceedings, and if this proceeding or application;
  - (i) leads to an insolvency or bankruptcy verdict, a decision to the detriment of the creditors, or a decision leading to dissolution or liquidation of the Reference
  - (ii) is not cancelled, declined, suspended or dropped within thirty days of the initiation of the proceedings or filing of the application
- (e) a decision is issued concerning the dissolution, official receivership or liquidation (for reason other than consolidation, merger or combination);
- (f) files for, or it and all or a material part of its assets are assigned an administrator or liquidator, temporary receiver in bankruptcy, guardian or any corresponding agent;
- (g) surrenders its entire assets or a material part of its assets into the custody of a pledge holder, or if the pledge holder has initiated debt execution proceedings, enforcement, confiscation, interdiction against sale or dispersion or other execution or enforcement proceedings or action concerning the entire assets of the Reference Entity or a material part thereof, and if such pledge holder keeps custody of the collateral and this proceeding or the application concerning it is not cancelled, declined, suspended or dropped within thirty days of the initiation of the proceedings or filing of the application, or

- (h) causes or is subject to an event that, in accordance with law applicable to the Reference Entity, has a corresponding impact as an event or events referred to in subsections (a)–(g).

Debt Obligation

Debt Obligation refers to a Reference Entity's every existing, future, conditional or other kind of (a) debt obligation relating to borrowing, such as bonds, credit and financing limits or corresponding agreements, deposits or payment obligations relating to letters of credit; as well as (b) a guarantee given or other written commitment the Reference Entity has given or gives for an obligation relating to the borrowing of a third party.

Successor

If in the Issuer's view a Succession Event occurs, meaning that all or most of the Debt Obligations of a Reference Entity are transferred to another company or companies directly or indirectly because of an amalgamation, a division (either through a voluntary exchange of Debt Obligations or a transfer taking place for another reason), consolidation, merger, assignment or other corresponding reason based on law or agreement, this company or these companies are Successors. On the before-mentioned grounds the Issuer may decide that the original Reference Entity is replaced by a Successor or Successors or that it remains as the Reference Entity. The Successor is added to the Reference Entities retroactively as of the day when the Succession Event entered legally into force. If, according to the above-mentioned rules, the Issuer would be a Successor, the Issuer must select another company to replace the Issuer. When determining a Successor, the Issuer bases its assessment on the English 2003 ISDA Credit Derivatives Definitions, as amended or supplemented, published by the International Swaps and Derivatives Association (ISDA) and the May 2003 Supplement to the ISDA Credit Derivatives Definitions.

Business Day Convention

Following Business Day.

Notices to Noteholders

When the Issuer notifies or informs the Noteholders of matters in accordance with this Pricing Supplement, the notification will be published on the website [www.nordea.com/joukkolainat](http://www.nordea.com/joukkolainat).

Redemption for Illegality

In the event that the Issuer determines in good faith that the performance of the Issuer's obligations under the Notes has or will become unlawful, illegal or otherwise prohibited by law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or in the interpretation thereof the Issuer may decide to redeem all Notes prematurely. The Issuer will pay to the Noteholders the current market value (including Return, if any) of the Notes it has determined in accordance with good market practice. The amount may be the nominal amount of the Notes or less.

## ANNEX II

(this Annex forms part of the Pricing Supplement to which it is attached)

### PRICING SUPPLEMENT NORDEA BANK FINLAND PLC

Issue of up to EUR 10,000,000

#### Credit-Linked Private Placement Front Strategy

Issued under the

Nordea Bank Finland Plc Private Placement Debt Issuance Platform

Companies of iTraxx Europe Crossover index series 19 by Bloomberg and Markit on 22.5.2013

Markit Ticker	Markit Long Name	Toimiala	Maa	Luokitus - Moody's	Luokitus - S&P	Weight
ALCLCT	Alcatel Lucent	Kommunikaatio	FR	Caa1	CCC+	2 %
ARMLL	ArcelorMittal	Perusmateriaalit	LU	Ba1	BB+	2 %
ARDAPAC	ARDAGH PACKAGING FINANCE PUBLIC LIMITED COMPANY	Teollisuus	LU	B3	CCC+	2 %
BRISCON	BRISA - CONCESSAO RODOVIARIA, S.A.	Teollisuus	PT	Ba2		2 %
BAB	BRITISH AIRWAYS plc	Kuluttajatuotteet	GB	B2	BB	2 %
CAWILD	CABLE & WIRELESS LIMITED	Kommunikaatio	GB	B1	B+	2 %
CERVTEC	CERVED TECHNOLOGIES S.P.A.	Kommunikaatio	IT	B3	CCC+	2 %
CIRINT	CIR S.P.A. - COMPAGNIE INDUSTRIALI RIUNITE	Monialayhtiö	IT		BB	2 %
CODSA-Fin	CODERE FINANCE (LUXEMBOURG) S.A.	Kuluttajatuotteet	ES	Ca	CCC	2 %
CONVHEA	ConvaTec Healthcare E S.A.	Kuluttajatuotteet	LU	Caa1	B	2 %
DIXON	DIXONS RETAIL PLC	Kuluttajatuotteet	GB	B1		2 %
EDP	EDP - Energias de Portugal, S.A.	Energia	PT	Ba1	BB+	2 %
EILEAB	EILEME 2 AB	Kommunikaatio	PL	B3	B-	2 %
FIATIND	FIAT INDUSTRIAL S.P.A.	Kuluttajatuotteet	IT	Ba2	BB+	2 %
FIAT	FIAT S.P.A.	Kuluttajatuotteet	IT	B1	BB-	2 %
FINMEC	FINMECCANICA S.P.A.	Teollisuus	IT	Baa3	BB+	2 %
GROHE	Grohe Holding GmbH	Teollisuus	DE	B3	B-	2 %
HEI	HeidelbergCement AG	Teollisuus	DE	Ba2		2 %
OTE	HELLENIC TELECOMMUNICATIONS ORGANISATION SOCIETE ANONYME	Kommunikaatio	GR	Caa1	B+	2 %
IFX-HldgBV	Infineon Technologies Holding B.V.	Teknologia	DE			2 %
ISSAS-Global	ISS GLOBAL A/S	Kuluttajatuotteet	DK		B	2 %
JAGLAN	JAGUAR LAND ROVER AUTOMOTIVE PLC	Kuluttajatuotteet	GB	Ba3	BB-	2 %
LADBRK	LADBROKES PLC	Kuluttajatuotteet	GB	Ba2	BB	2 %
LAFCP	LAFARGE	Teollisuus	FR	Ba1	BB+	2 %
MEHI	MELIA HOTELS INTERNATIONAL, S.A.	Kuluttajatuotteet	ES			2 %
METSBOA	Metsa Board Corporation	Perusmateriaalit	FI	B2	B-	2 %
NOKIA	Nokia Oyj	Kommunikaatio	FI	Ba3	BB-	2 %
NSINO	NORSKE SKOGINDUSTRIER ASA	Perusmateriaalit	NO	Caa2	CCC+	2 %
NXP	NXP B.V.	Teollisuus	NL	B3	B	2 %
ONOSM-ONOFin	ONO FINANCE II PUBLIC LIMITED COMPANY	Kommunikaatio	ES	Caa1	B-	2 %
PEUGOT	PEUGEOT SA	Kuluttajatuotteet	FR	B1	BB-	2 %
PLTMPL-IntFin	Portugal Telecom International Finance B.V.	Kommunikaatio	PT	Ba2	BB	2 %
GENP	RALLYE	Kuluttajatuotteet	FR			2 %
RENAUL	RENAULT	Kuluttajatuotteet	FR	Ba1	BB+	2 %
SCHAFFIN	Schaeffler Finance B.V.	Kuluttajatuotteet	DE	Ba3	B+	2 %
MDPAC-SMFIT	SMURFIT KAPPA ACQUISITIONS	Perusmateriaalit	IE	Ba2	BB	2 %
AF-AirFrance	SOCIETE AIR FRANCE	Kuluttajatuotteet	FR			2 %
STENA	Stena Aktiebolag	Monialayhtiö	SE	B2	BB	2 %
STORA	Stora Enso Oyj	Perusmateriaalit	FI	Ba2	BB	2 %
SUNRICO	Sunrise Communications Holdings S.A.	Kommunikaatio	CH	B3	B-	2 %
TECHGH	Techem GmbH	Teollisuus	DE	Ba3	B+	2 %
TIIMN	TELECOM ITALIA SPA	Kommunikaatio	IT	Baa3	BBB	2 %
TKAGR	ThyssenKrupp AG	Perusmateriaalit	DE	Ba1	BB	2 %
PREUSS	TUI AG	Kuluttajatuotteet	DE	Caa1	B-	2 %
UNITGMB	Unitymedia GmbH	Kommunikaatio	DE	B3	B-	2 %
LBTG-UPC	UPC Holding B.V.	Kommunikaatio	NL	B2	B-	2 %
UPMKYM	UPM-Kymmene Oyj	Perusmateriaalit	FI	Ba1	BB	2 %
VIRFIN	VIRGIN MEDIA FINANCE PLC	Kommunikaatio	GB	Ba2	BB-	2 %
WENL	WENDEL	Monialayhtiö	FR		BB+	2 %
WINDAQ	Wind Acquisition Finance S.A.	Kommunikaatio	IT	B3	B	2 %

### ANNEX III

(this Annex forms part of the Pricing Supplement to which it is attached)

**PRICING SUPPLEMENT**  
**NORDEA BANK FINLAND PLC**  
**Issue of up to EUR 10,000,000**  
**Credit-Linked Private Placement Front Strategy**

**Issued under the**  
**Nordea Bank Finland Plc Private Placement Debt Issuance Platform**

#### Additional Definitions and Conditions relating to Return

Calculation Agent      Nordea Bank Finland Plc

Payment Date:      The Return, if any, on the Notes will be paid on the Maturity Date. It will be based on the performance of the Reference Portfolio Value and calculated by the Calculation Agent in accordance with the following provisions.

Return:      The Return will be determined as follows:

$$\text{Nominal Amount} \times \text{Participation} \times \text{Max} \left[ 0\%, \left( \frac{\text{ReferencePortfolioValue (Final)}}{\text{ReferencePortfolioValue (Strike)}} - \text{Strike} \right) \right]$$

Where:

“Reference Portfolio Value (Final)” means the Reference Portfolio Value in respect of the Final Valuation Date;

“Reference Portfolio Value (Strike)” means the Reference Portfolio Value in respect of the Strike Date;

“Strike” means 100%;

“Participation” means 100 %;

“Strike Date” means 7 June 2013;

“Final Valuation Date” means 20 June 2018.

Reference Portfolio Value:      In respect of the Strike Date, Reference Portfolio Value (t) shall equal 100%.

Reference Portfolio Value (t) for each Valuation Day (t) following the Strike Date will be determined as follows:

$$\text{ReferencePortfolioValue (t)} = \text{ReferencePortfolioValue (t-1)} \times \left( 1 - \text{Fee} \times \frac{N_{t-1,t}}{360} \right) \times \left[ W_{t-1} \times \frac{\text{Asset Value (t)}}{\text{Asset Value (t-1)}} + (1 - W_{t-1}) \times \frac{\text{Cash Index Value (t)}}{\text{Cash Index Value (t-1)}} \right]$$

Where:

“Reference Portfolio Value (t-1)” is the Reference Portfolio Value in respect of Valuation Day (t-1);

“Asset Value (t)” is the Official Net Asset Value of the Fund in respect of Valuation Day (t), subject to adjustments by the Calculation Agent;

“Asset Value (t-1)” is the Official Net Asset Value of the Fund in respect of the Valuation Day immediately preceding Valuation Day (t) (“Valuation Day (t-1)”), subject to adjustments by the Calculation Agent;

“ $W_{t-1}$ ” is the Asset Weight in respect of Valuation Day (t-1);

“Cash Index Value (t)” is the Cash Index Value in respect of Valuation Day (t);

“Fee” is 0.60%;

“ $N_{t-1,t}$ ” means the number of calendar days from (but excluding) Valuation Day (t-1) to (and including) Valuation Day (t);

“Calculation Business Day” London and Helsinki

“Business Day” London and TARGET

“Asset Business Day” A business day applicable to the Fund

“Business Day Convention” Following Business Day

“Fund” means Front Strategy non-UCITS Fund, Fund Unit Series A3, ISIN code FI4000041363

In case of a Fund Event, the Issuer may carry out all such amendments to the Final Terms as the Issuer deems necessary in connection with calculating the Reference Portfolio Value as it see fit.

Cash Index Value: The Cash Index Value in respect of the Strike Date, (“Cash Index Value (t0)”) is equal to 100%.

After the Strike Date, in respect of every Valuation Day (t), Cash Index Value (t) means

$$\text{Cash Index Value}(t_0) \times \prod_{i=1}^t \left( 1 + \text{EONIA}_{i-1} \times \frac{N_{i-1,i}}{360} \right)$$

Where

“ $\text{EONIA}_{i-1}$ ” means in respect of Valuation Day (i), the overnight rate for deposits as displayed on Reuters page EONIA on the immediately preceding Valuation Day. If such rate is not available, the rate will be determined by the Calculation Agent, acting reasonably, from prevailing swap market rates.

“ $N_{i-1,i}$ ” means the number of calendar days from (but excluding) Valuation Day (i-1) to (and including) Valuation Day (i).

Asset Weight: Asset Weight means the percentage allocation of the Reference Portfolio to the Fund. In respect of the Strike Date, the Asset Weight shall be equal to:

Min {Target Exposure (Strike-2), 1}

After the Strike Date, Asset Weight (t) for each Valuation Day (t) will be determined as follows:

(i) If  $| \text{Target Exposure (t-2)} - \text{Asset Weight (t-1)} | > 5\%$ , Min [ Target Exposure (t-2), 1 ]

(ii) If  $| \text{Target Exposure (t-2)} - \text{Asset Weight (t-1)} | \leq 5\%$ , Asset Weight (t-1)

Where

“Target Exposure (Strike-2)” is the Target Exposure in respect of the Valuation Day falling 2 Valuation Days prior to the Strike Date

“Target Exposure (t-2)” is the Target Exposure in respect of the Valuation Day (falling 2)

“Asset Weight (t-1)” is the Asset Weight in respect of Valuation Day (t-1)

Target Exposure:

In respect of any Valuation Day (t) from (and including) two Valuation Days prior to Strike Date, Target Exposure is determined in accordance with the following:

$$\text{Target Exposure (t)} = \frac{9\%}{\text{Vol(t)}}$$

Vol:

In respect of any Valuation Day (t) from (and including) two Valuation Days prior to the Strike Date, to (and including) the Final Valuation Date, Vol (t) is defined as:

$$\text{Vol (t)} = \text{Max (Vol 21d (t) , Vol 84d (t))}$$

Where,

$$\text{Vol 21d (t)} = \sqrt{\frac{252}{21} \times \sum_{k=1}^{21} \left( \text{Asset Return (t-k, t-k+1)} \right)^2}$$

$$\text{Vol 84d (t)} = \sqrt{\frac{252}{84} \times \sum_{k=1}^{84} \left( \text{Asset Return (t-k, t-k+1)} \right)^2}$$

Asset Return:

In respect of any Valuation Day (t) from (and including) the Initial Valuation Date to (and including) the Strike Date, Asset Return (t-1, t) is equal to  $\frac{9\%}{\sqrt{252}}$

Thereafter, in respect of any Valuation Day (t), Asset Return is calculated as follows:

$$\text{Asset Return (t-1, t)} = \ln \left( \frac{\text{Asset Value (t)}}{\text{Asset Value (t-1)}} \right)$$

Fund Event: The Issuer may, in its own discretion, determine that a Fund Event has occurred, if any of the following events should occur following 7 June 2013:

1. the occurrence of any event or circumstance affecting the Fund or the fund units which has (or may potentially have) a negative effect on the value of the Fund or the fund units;
2. the Fund or the Fund Manager restricts the ability to subscribe for or redeem fund units, introduces or amends fees or any additional taxes or other charges arises in connection with subscription or redemption after 7 June 2013;
3. a material change of the Fund occurs, which includes expropriation or similar event, such event resulting in the assets being transferred to or taken over by an authority or similar institution or organisation, or by other by instruction from an authority or similar institution or organisation, which has a negative effect on the value of the fund units;
4. the Fund or the Fund Manager makes any changes in the terms applicable to the Fund's or the Fund Manager's operations such as changes in the risk profile of the Fund, changes in regard to the right to vote in respect of the fund units, change of the investment guidelines of the Fund, change of the denomination of the fund units or such other change that is adverse in the Issuer's opinion;
5. the Fund, the Fund Manager, the administrator, the account operator or the board of directors becomes subject to investigation, lawsuit or similar action by an authority or other due to breach of relevant legislation or other rules applicable to the Fund, the Fund Manager, the administrator, the account operator or the board of directors or the relevant license for any of these is withdrawn;
6. the Fund Manager, the administrator, the account operator or the board of directors are replaced;
7. any compulsory transfer or redemption of fund units occur;
8. any change of the derivative instruments of the Fund which has a negative effect on the value of the fund units or the possibility of the fund to admit redemption;
9. any other event (e.g. asset disruption event or asset adjustment event as defined by the Issuer) or circumstance occurs which, as determined by the Issuer, has a negative effect on the application of the Conditions of the Notes;
10. the aggregate Net Asset Value of the Fund falls below EUR 40,000,000.
11. the aggregate Net Asset Value of the assets managed by the Fund Manager falls below EUR 80,000,000. "Fund Manager" means Front Capital Oy.

If a Fund Event occurs with respect to Fund, the Issuer shall be entitled to make such adjustments in the calculation of the Return, or to replace the affected Fund with a replacing fund which the Issuer thereby deems necessary in order to achieve a calculation of the Return which reflects, and is based on, the manner in which such was previously calculated.

Where the Issuer believes that it would not provide a fair result to replace the affected Fund or adjust the applicable calculation or the structure of the Fund, the Issuer may either elect to extend the Exposure Period to such future date as may be determined by the Issuer, or perform an early calculation of the Return and determine the Return. Such early calculation shall be based on the most recently published value for the Fund. When the Issuer has determined the Return, the Issuer shall notify the Noteholders of the amount of the Return and the rate at which interest will continue to accrue on the Notes. The Issuer shall pay market interest on the Nominal Amount. The Return (including accrued interest, if applicable) shall be paid on the Maturity Date.

The Issuer shall be entitled to make any addition, adjustment or amendment to the Conditions as the Issuer deems necessary in connection with Fund Events.