

## KOMMUNALBANKEN AS

Issue of

Currency-Linked Redemption Notes due 25 June 2012

“0 % Kommunalbanken Russiske Rubler 2012”

**under the euro 30,000,000,000**

**Programme for the Issuance of Debt Instruments**

### Part A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 22nd April 2009 which together constitute a base prospectus for the purposes of the Prospectus Directive (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. 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 supplement to the Base Prospectus are available for viewing at Kommunalbanken AS, Munkedamsveien 45, 0110 Oslo Norway and Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom, and the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and copies may be obtained from Kommunalbanken AS, Munkedamsveien 45, 0110 Oslo Norway and Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom,.

- |                                      |  |
|--------------------------------------|--|
| 1. Issuer:                           | Kommunalbanken A/S   |
| 2. (i) Series Number:                | 2829-2   |
| (ii) Tranche Number:                 | Not Applicable   |
| 3. Specified Currency or Currencies: | Danish Kroner (“DKK”)  |
| 4. Aggregate Principal Amount:       | To be determined on 29 May 2009 subject to a minimum of DKK 25,000,000 and a maximum of DKK 500,000,000 depending on the result of the subscription as specified in Appendix 1 |
| (i) Series:                          |  |
| (ii) Tranche                         |  |
| 5. Issue Price:                      | 105.00 per cent of the Aggregate Principal Amount  |

6.	(i) Specified Denomination:	DKK 10,000
	(ii) Calculation Amount:	DKK 10,000
7.	(i) Issue Date:	23 June 2009
	(ii) Interest Commencement Date:	Not Applicable
8.	Maturity Date:	25 June 2012, subject to adjustment for payment purposes only in accordance with the Modified Following Business Day Convention
9.	Interest Basis:	Not Interest Bearing
10.	Redemption/Payment Basis:	Currency linked Redemption
11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	(i) Status of the Instruments:	Senior
	(ii) Date Board approval for issuance of Instruments obtained:	Not Applicable
14.	Method of distribution:	Non-syndicated

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

15.	<b>Fixed Rate Instrument Provisions</b>	Not Applicable
16.	<b>Floating Rate Instrument Provisions</b>	Not Applicable
17.	<b>Zero Coupon Instrument Provisions</b>	Not Applicable
18.	<b>Index-Linked Interest Instrument/other variable-linked interest Instrument Provisions</b>	Not Applicable
19.	<b>Dual Currency Instrument 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 of each Instrument</b>	See Appendix 1

**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):

Early Redemption Amount payable on redemption for taxation reasons or on event of default will be calculated as set out in Condition 6.2 and 7 in the Base Prospectus

**GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS**

**24. Form of Instruments:**

Bearer Instruments issued in the form of a Permanent Global Instrument. The Permanent Global Instrument will be issued on the Issue Date and the Instruments will be registered as bearer instruments in uncertificated book-entry form with the Danish Securities Centre, the Værdipapircentralen A/S (“VP”).

Danske Bank is acting as Issuing Agent and Account Holding Institute (kontoførende institut) vis-à-vis VP. The Permanent Global Instrument will be controlled by Danske Bank as Account Holding Institute for and on behalf of VP and the Instrumentholders in accordance with the provisions of the Danish Government Regulation No. 479 of 1 June 2006 on the registration of funds assets in a securities centre. The Permanent Global Instrument can only be held in favour of Danske Bank acting in its capacity as Account Holding Institute on behalf of the Instrumentholders registered in the VP system.

For the avoidance of doubt, Instruments registered in VP are negotiable instruments not subject to any restrictions on the free negotiability within the Kingdom of Denmark, under Danish Law.

**25. New Global Instrument:**

No

**26. Relevant Financial Centre(s) or other special provisions relating to Payment Dates:**

Copenhagen

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

No

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
29.	Details relating to Instalment Instruments: amount of each instalment, date on which each payment is to be made:	Not Applicable
30.	Redenomination, renominatisation and reconventioning provisions:	Not Applicable
31.	Consolidation provisions:	Not Applicable
32.	Other final terms:	<p>Settlement of purchase and sale transactions takes place on a “registration against payment” basis. Transfer of ownership to the Instruments shall be made in accordance with the rules of VP.</p> <p>Registration of the Instruments with VP is governed by Danish law, and any disputes arising out of or in connection with the registration of the Instruments with VP shall be brought before the Copenhagen Maritime and Commercial Court.</p> <p>Notwithstanding Condition 14, any notice given to VP in accordance with Condition 14 shall be deemed to have been given to the Holders on the day on which that notice is given to VP.</p>

## **DISTRIBUTION**

33.	(i) If syndicated, names and addresses of Managers and underwriting commitments:	Not Applicable
	(ii) Date of Subscription Agreement:	Not Applicable
	(iii) Stabilising Manager(s) (if any):	Not Applicable
34.	If non-syndicated, name and address of Dealer:	<p>Danske Andelskassers Bank A/S  Baneskellet 1  Hammershoej  DK-8830 Tjele  Denmark</p>
35.	Total (underwriting and placing) commission and concession:	Not Applicable

- 36. U.S. Selling Restrictions: TEFRA D Rules applicable
- 37. Non-exempt Offer:: Not Applicable
- 38. Additional selling restrictions:: Not Applicable

**PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for the issue and public offer in Denmark of the Instruments described herein pursuant to the euro 30,000,000,000 Programme for the Issuance of Debt Instruments of Kommunalbanken AS.

**RESPONSIBILITY**

The Issuer 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 AND ADMISSIONS TO TRADING

- (i) Listing: NASDAQ OMX Copenhagen A/S
- (ii) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on NASDAQ OMX Copenhagen A/S with effect from 23 June 2009

### 2. RATINGS

Ratings: Not Applicable

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

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

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

- (i) Reasons for the offer: General corporate purposes
- (ii) Estimated net proceeds: 100 per cent of the Aggregate Principal Amount
- (iii) Estimated total expenses: Total expenses amounts to 5.0 per cent of the Aggregate Principal Amount. Based on an estimated Aggregate Principal Amount of DKK 25,000,000 the expenses can be categorised as follows:
- Distribution fee*  
Up to 1.00 per cent. p.a.
- Arranger fee*  
Ca. 0.47 per cent. p.a.
- Marketing and production expenses*  
Ca. 0.17 per cent. p.a.
- Issue and listing fee*  
Ca. 0.03 per cent. p.a.
- Total of ca. 1.67 per cent p.a. ("ÅOP")

### 5. Fixed Rate Instruments only – YIELD

Indication of yield: Not Applicable

### 6. Floating Rate Instruments only – HISTORIC INTEREST RATES

Not Applicable

7. ***Index-Linked or other variable-linked Instruments only* – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Underlying the Instruments is an exchange rate. Exchange rates can be volatile, and such volatility may be expected in the future.

The Instruments are not highly liquid instruments. There may exist a time when there is a lack of liquidity, or low trading volume, in the market for the Instruments, which could result in a decrease of their market value. Investors should be prepared to hold the Instruments until maturity. If the Instruments are not held to maturity, and the investor wishes to sell them, the investor may not receive the entire nominal amount invested.

The Instruments are denominated in DKK. Where the Instruments are denominated in a currency other than the investor's reference currency, changes in exchange rates may have an adverse effect on the value of the investment.

The Issuer does not intend to provide post-issuance information, except for information directly relevant to the calculation of the Final Redemption Amount.

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

Not Applicable

9. **OPERATIONAL INFORMATION**

ISIN Code:	DK0030169941
Common Code:	Not Applicable
Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking Société Anonyme and the relevant identification number(s):	VP, Business Registration Number 21 59 93 36. The Instruments will not be settled through Euroclear Bank SA/NV or Clearstream Société Anonyme
Delivery:	Delivery against payment
Names and addresses of additional Paying Agent(s) (if any):	Danske Bank Holmens Kanal 2-12 DK-1092 Copenhagen K Denmark
Name and address of Luxembourg Intermediary Agent:	Not Applicable

## 10. TERMS AND CONDITIONS OF THE OFFER

Offer Period:	From and including 18 May 2009 till and including 29 May 2009
Offer Price:	105.0
Conditions to which the offer is subject:	<p>The Arranger of this issue reserves the right to cancel or postpone the issue of the Instruments fully, or partly if</p> <ul style="list-style-type: none"><li>-incidents of an economic, financial or political nature occur that, in judgement, can jeopardise the issue of the Instruments</li><li>-the total Nominal Amount subscribed by investors is less than DKK 25,000,000 or above DKK 500,000,000</li><li>-it is not possible to achieve a Reduction Factor of 1.10 or higher, as specified in Appendix 1</li><li>-market conditions do not permit the total subscribed amount to be allocated, in which case a reduction will be made according to the Arranger's best judgement.</li></ul>
Description of the application process:	<p>Applications to subscribe for the Instruments can be submitted during the Subscription Period. Subscription forms should be submitted to:</p> <p>Danske Andelskassers Bank Baneskellet 1, Hammershoej DK-8830 Tjele Denmark Phone: +45 87 99 30 00 Fax: +45 87 99 30 97</p> <p>Subscription forms can furthermore be submitted to "Garanti Invest pengeinstitutterne" (see <a href="http://www.garanti-invest.dk">www.garanti-invest.dk</a>) or to the investors own account holding institute.</p>
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	<p>If Subscriptions exceed DKK 500,000,000 the Arranger may reduce the subscriptions in its own and absolute discretion to an amount of DKK 500,000,000, or if market conditions do not permit the total subscribed amount to be allocated, reduction can or will be made according to the Arranger's best judgement.</p>



Details of the minimum and/or maximum amount of application:	Minimum subscription amount is DKK 10,000
Details of the method and time limits for paying up and delivering the Instruments:	Payment for subscribed Instruments and delivery of the Instruments will take place on 23 June 2009
Manner in and date on which results of the offer are to be made public:	The results of the offer will be made public via Nasdaq OMX Copenhagen A/S no later than 3 June 2009
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable
Categories of potential investors to which the Instruments are offered and whether tranche(s) have been reserved for certain countries:	High net worth individuals and retail investors
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	Not Applicable
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	Not Applicable
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	Not Applicable

## Appendix 1

*(This Appendix forms part of the Final Terms to which it is attached)*

### 1. FINAL REDEMPTION PRICE

Unless previously redeemed, or purchased and cancelled, each Instrument of DKK 10,000 (Specified Denomination) shall be redeemed at an amount (“**the Final Redemption Amount**”) determined by the Calculation Agent in accordance with the below:

$$DKK 10,000 + \text{MAX} \{0; DKK10,000 \times \text{FX Performance}\}$$

#### FX Performance

The FX Performance depends on the development in the exchange rate between the Russian ruble (RUB) and the euro (EUR) and is determined in accordance with the formula below:

$$\left( \frac{RUB / EUR_{final}}{RUB / EUR_{initial}} \div 1 \right)$$

The minimum Final Redemption Amount for each Instrument equals the Specified Denomination.

### 2. DEFINITIONS

For the Purpose of these Final Terms:

**RUB/EUR<sub>initial</sub>** equals the arithmetic average of the fixings of RUB/EUR on each of the three Initial Observation Dates divided by the Reduction Factor. RUB/EUR<sub>initial</sub> will be determined by the Calculation Agent and announced via NASDAQ OMX Copenhagen A/S no later than two business days after the last Initial Observation Date.

The **Reduction Factor** will be determined by the Calculation Agent on 3 June 2009, and will be announced via NASDAQ OMX Copenhagen A/S no later than five business days after. The size of the Reduction Factor will depend of the prevailing market conditions on that date, i.e. the level of interest rates in Denmark, volatility in RUB/EUR etc. Based on the market conditions on 31 March 2009 a Reduction Factor of approximately 1.3 could have been obtained. The final Reduction Factor could be higher as well as lower than this indicative level. The issue of the Instruments will be cancelled unless a Reduction Factor of minimum 1.10 can be obtained.

**RUB/EUR<sub>final</sub>** equals the arithmetic average of the fixings of RUB/EUR on each of the three Final Observation Dates. RUB/EUR<sub>final</sub> will be determined by the Calculation Agent and announced via NASDAQ OMX Copenhagen A/S no later than two business days after the last Final Observation Date.

**Initial Observation Dates** means 4 June 2009, 5 June 2009 8 June 2009. Should one of the Initial Observation Dates not be a valid Trade Date, the following valid Trade Date, not already being an Initial Observation Date, will be used.

**Final Observation Dates** means 21 May 2012, 28 May 2012 and 4 June 2012. Should one of the Final Observation Dates not be a valid Trade Date, the following valid Trade Date, not already being a Final Observation Date, will be used.

**RUB/EUR** means the exchange rate between RUB and EUR expressed as the price in EUR of one RUB. RUB/EUR is determined by the Calculation Agent in full discretion based on the exchange rate between RUB and EUR fixed by the European Central Bank as quoted (inverted) on Reuters screen “ECB37” at around 02:15 pm Central European Time (or its successor page for the purpose of displaying such rate, or if such page is unavailable, as determined by the Calculation Agent in good faith and a commercially reasonable manner) on the observations dates. RUB/EUR is calculated with six decimals.

**Trade Date** means a business day where currencies can be traded in Moscow and TARGET.

**Calculation Agent** is Garanti Invest A/S, Nicolai Eigtveds Gade 36, DK-1402 Copenhagen K, Denmark.

### 3. PAY-OFF SIMULATION

The Final Redemption Amount on the Instruments will depend on the performance of RUB/EUR through out the life of the Instruments. The higher the price of RUB/EUR at maturity ( $RUB/EUR_{final}$ ), the higher the Final Redemption Amount. The examples below illustrates how the Final Redemption Amount is determined given alternative scenarios for RUB/EUR.

#### **Example 1: Surge in the price of RUB/EUR of 20 per cent**

Given a Reduction Factor of 1.30 and an average fixing of RUB/EUR on the Initial Observation Dates ( $RUB/EUR_{fixing}$ ) of 0.022206 the Final Redemption Amount will be calculated as follows:

*FX Performance:*

$$RUB/EUR_{initial} = \left( \frac{RUB/EUR_{fixing}}{Reduction\ Factor} \right) = \left( \frac{0.022206}{1.3} \right) = 0.017082$$

If the price of RUB/EUR at maturity has increased by 20 per cent compared to the initial level ( $RUB/EUR_{fixing}$ ), i.e.  $RUB/EUR_{final}$  equals 0.026647 ( $0.022206 \times 1.2$ ), the FX Performance will be:

$$\left( \frac{0.026647}{0.017082} - 1 \right) = +0.56$$

and the Final Redemption Amount will be:

$$\begin{aligned} & \text{DKK } 10,000 + [ \text{DKK } 10,000 \times \max(0; \text{FX Performance}) ] \\ & = \text{DKK } 10,000 + [ \text{DKK } 10,000 \times \max(0; 0.56) ] \\ & = \text{DKK } 15,600 \end{aligned}$$

The Final Redemption Amount for each Instrument of a Specified Denomination of DKK 10,000 will be DKK 15,600 equal to a redemption price of 156.0. With an Issue Price of 105.0 the pay-off is equal to 14.11 per cent p.a. (IRR) according to Table 1.

### **Example 2: Unchanged price of RUB/EUR**

Given a Reduction Factor of 1.30 and an average fixing of RUB/EUR on the Initial Observation Dates ( $\text{RUB/EUR}_{\text{fixing}}$ ) of 0.022206 the Final Redemption Amount will be calculated as follows:

*FX Performance:*

$$\text{RUB/EUR}_{\text{initial}} = \left( \frac{\text{RUB/EUR}_{\text{fixing}}}{\text{Reduction Factor}} \right) = \left( \frac{0.022206}{1.3} \right) = 0.017082$$

If the price of RUB/EUR at maturity is unchanged compared to the initial level ( $\text{RUB/EUR}_{\text{fixing}}$ ), i.e.  $\text{RUB/EUR}_{\text{final}}$  equals 0.022206, the FX Performance will be:

$$\left( \frac{0.022206}{0.017082} - 1 \right) = +0.30$$

and the Final Redemption Amount will be:

$$\begin{aligned} & \text{DKK } 10,000 + [ \text{DKK } 10,000 \times \max(0; \text{FX Performance}) ] \\ & = \text{DKK } 10,000 + [ \text{DKK } 10,000 \times \max(0; 0.30) ] \\ & = \text{DKK } 13,000 \end{aligned}$$

The Final Redemption Amount for each Instrument of a Specified Denomination of DKK 10,000 will be DKK 13,000 equal to a redemption price of 130.0. With an Issue Price of 105.0 the pay-off is equal to 7.38 per cent p.a. (IRR) according to Table 1.

### **Example 3: Drop in the price of RUB/EUR of 10 per cent**

Given a Reduction Factor of 1.30 and an average fixing of RUB/EUR on the Initial Observation Dates ( $\text{RUB/EUR}_{\text{fixing}}$ ) of 0.022206 the Final Redemption Amount will be calculated as follows:

*FX Performance:*

$$\text{RUB/EUR}_{\text{initial}} = \left( \frac{\text{RUB/EUR}_{\text{fixing}}}{\text{Reduction Factor}} \right) = \left( \frac{0.022206}{1.3} \right) = 0.017082$$

If the price of RUB/EUR at maturity has dropped by 10.0 per cent compared to the initial level ( $\text{RUB/EUR}_{\text{fixing}}$ ), i.e.  $\text{RUB/EUR}_{\text{final}}$  equals 0.019985 ( $0.022206 \times 0.9$ ), the FX Performance will be:

$$\left( \frac{0.019985}{0.017082} - 1 \right) = +0.17$$

and the Final Redemption Amount will be:

$$\begin{aligned} & \text{DKK } 10,000 + [ \text{DKK } 10,000 \times \max(0; \text{FX Performance}) ] \\ & = \text{DKK } 10,000 + [ \text{DKK } 10,000 \times \max(0; 0.17) ] \\ & = \text{DKK } 11,700 \end{aligned}$$

The Final Redemption Amount for each Instrument of a Specified Denomination of DKK 10,000 will be DKK 11,700 equal to a redemption price of 117.0. With an Issue Price of 105.0 the pay-off is equal to 3.67 per cent p.a. (IRR) according to Table 1.

**Example 4: Drop in the price of RUB/EUR of 40 per cent**

Given a Reduction Factor of 1.30 and an average fixing of RUB/EUR on the Initial Observation Dates ( $\text{RUB/EUR}_{\text{fixing}}$ ) of 0.022206 the Final Redemption Amount will be calculated as follows:

*FX Performance:*

$$\text{RUB/EUR}_{\text{initial}} = \left( \frac{\text{RUB/EUR}_{\text{fixing}}}{\text{Reduction Factor}} \right) = \left( \frac{0.022206}{1.3} \right) = 0.017082$$

If the price of RUB/EUR at maturity has dropped by 40.0 per cent compared to the initial level ( $\text{RUB/EUR}_{\text{fixing}}$ ), i.e.  $\text{RUB/EUR}_{\text{final}}$  equals 0.013324 ( $0.022206 \times 0.6$ ), the FX Performance will be:

$$\left( \frac{0.013324}{0.017082} - 1 \right) = -0.22$$

and the Final Redemption Amount will be:

$$\begin{aligned} & \text{DKK 10,000} + [\text{DKK 10,000} \times \max(0; \text{FX Performance})] \\ & = \text{DKK 10,000} + [\text{DKK 10,000} \times \max(0; -0.22)] \\ & = \text{DKK 10,000} \end{aligned}$$

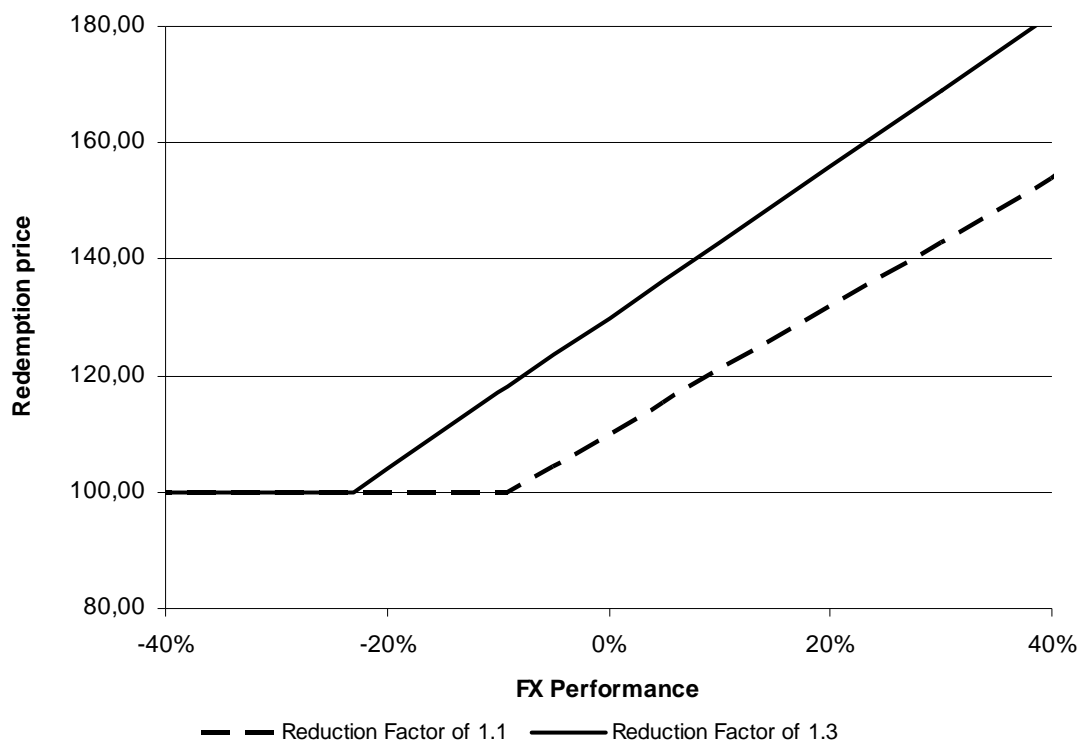
The Final Redemption Amount for each Instrument of a Specified Denomination of DKK 10,000 will be DKK 10,000 equal to a redemption price of 100.0. With an Issue Price of 105.0 the pay-off is equal to -1.61 per cent p.a. (IRR) according to Table 1. For comparison a pay-off of approximately 2.2 per cent p.a. could have been achieved by buying a Danish government bond with the same maturity (as pr. 31 March 2009).

The pay-off simulations in the table below is calculated before tax.

**Table 1: Pay-off simulations "0 % Kommunalbanken Russiske Rubler 2012"**

<b>FX Performance</b>	<b>Redemption price (Reduction Factor of 1.1)</b>	<b>Redemption price (Reduction Factor of 1.3)</b>	<b>IRR (Reduction Factor of 1.1)</b>	<b>IRR (Reduction Factor of 1.3)</b>
-40 %	100.00	100.00	-1.61 %	-1.61 %
-30 %	100.00	100.00	-1.61 %	-1.61 %
-25 %	100.00	100.00	-1.61 %	-1.61 %
-20 %	100.00	104.00	-1.61 %	-0.32 %
-10 %	100.00	117.00	-1.61 %	3.67 %
-5 %	104.50	123.50	-0.16 %	5.56 %
0 %	110.00	130.00	1.56 %	7.38 %
5 %	115.50	136.50	3.23 %	9.14 %
10 %	121.00	143.00	4.84 %	10.84 %
20 %	132.00	156.00	7.93 %	14.11 %
30 %	143.00	169.00	10.84 %	17.19 %
40 %	154.00	182.00	13.62 %	20.12 %
50 %	165.00	195.00	16.26 %	22.92 %
60 %	176.00	208.00	18.79 %	25.59 %

**Graph 2. Simulated redemption prices, "0 % Kommunalbanken Russiske Rubler 2012"**



The graph above illustrates the simulated redemption price given alternative developments in the price of RUB/EUR.

Technically the return of the Instruments can be compared to the return on a zero-coupon note and a call option on RUB/EUR. Based on the market conditions on 31 March 2009, the theoretical value of such a zero-coupon note would indicatively be around 92.25 per cent of the Aggregate Principal Amount, while the theoretical value of the call option indicatively would be around 7.75 %.

#### **4. SUBSCRIPTION**

The offer (the Offer) comprises Instruments amounting to a minimum Aggregate Principal Amount of DKK 25,000,000 (the "Minimum Amount"). The Issuer and the Arranger reserves the right to reduce the allotment of the Instruments, in case the total subscription amount exceeds an Aggregate Principal Amount of DKK 500,000,000.

Subscription of the Instruments can take place from 18 May 2009 till 29 May 2009 both days including (the Subscription Period). The Offer will be withdrawn if the Minimum Amount has not been fully subscribed for. The result of the subscription will be announced via the NASDAQ OMX Copenhagen A/S no later than 3 June 2009. The Offer will be cancelled in case a Reduction Factor of minimum 1.10 can not be obtained.

Notwithstanding the above, at any time on or before 29 May 2009 at 10.00 am Copenhagen time, the Issuer or the Arranger may decide to revoke and cancel the Offer. If the Offer is revoked and cancelled, this will be announced via the NASDAQ OMX Copenhagen A/S.

The Instruments will be open for further issuance at current market price until 23 December 2011 subject to a maximum of the Aggregate Principal Amount of DKK 500,000,000.

To purchase the Instruments, investors should complete and deliver the purchase form to:

Danske Andelskassers Bank  
Baneskellet 1, Hammershoej  
DK-8830 Tjele  
Denmark  
Phone: +45 87 99 30 00  
Fax: +45 87 99 30 99

Purchase forms can furthermore be delivered to “Garanti Invest pengeinstitutterne” (se [www.garanti-invest.dk](http://www.garanti-invest.dk)) or the investors own account-holding institute.

## **5. LISTING AND PAYMENT**

The first listing day on the NASDAQ OMX Copenhagen A/S will be 23 June 2009. Payment for the Instruments must be made in cash against delivery by way of registration in the investors’ accounts with VP on 23 June 2009.

## **6. TAXATION**

The description below reflects the Arrangers understanding of the present Danish tax laws as of 31 March 2009, primarily with regard to investors liable to tax in the Kingdom of Denmark. The following information is a general description and special tax rules and details are not described. Other investors or investors in doubt of their taxation status should consult their own professional advisors.

### *Tax definition of the Instrument*

For tax purposes, the Instruments are treated as notes denominated in a foreign currency, due to the fact that the Final Redemption Amount will depend on the price of a foreign currency pair.

### *Private Individuals*

Investment in the Instruments is subject to taxation of capital gains. Taxation takes place at the time of realization of the Instruments. Capital losses are deductible in capital income (kapitalindkomst). Gains and losses of less than DKK 1,000 are not taxable/deductible

Funds subject to the Danish special taxation of business income schemes (“virksomhedsskatteordningen”) may not be invested in the Instruments.

### *Companies, trusts, etc.*

Capital gains and losses are included in corporate income. Taxation normally takes place at the time of realisation of the Instruments.

### *Investing of pension savings*

The Instruments may also be bought by investors subject to the Danish tax on pension returns, such as life insurance companies, and with funds in pension savings accounts with banks.

Pension returns are taxed at the rate of 15 per cent. and determined on a mark-to-market basis. Accordingly, unrealised capital gains and losses are included on an ongoing basis.

The Instruments are subject to the rule limiting investments in securities from any one issuer to a maximum of 20 per cent. of the total value of the savings.



### *Taxation of foreign investors*

Returns on structured Instruments are not taxable in Denmark for investors who are not subject to full tax liability in Denmark and who do not carry on business through a permanent establishment in Denmark or participate in any such business.

Taxation of foreign investors depends on the rules of the country in which the investor is resident. Investors resident outside Denmark are therefore advised to consult their own legal advisors or accountants.

Owning structured Instruments does not of itself make an investor liable to Danish taxation.

Investors who have a permanent establishment in Denmark and who are thus subject to limited tax liability in Denmark may be subject to the same rules as Danish investors if the investment is related to the Danish part of the business.

### *Reporting information to the tax authorities*

The ownership, redemption and transfer of the Instruments will be reported to the Danish tax authorities pursuant to applicable rules.

## **7. RISK FACTORS AND SECONDARY MARKET**

The market value of the Instruments may be affected by a number of factors in addition to the creditworthiness of the Issuer, including, but not limited to:

- (i) interest rate levels in Russia, Denmark and the euro-zone;
- (ii) the price of RUB/EUR;
- (iii) liquidity of the Instruments in the secondary market;
- (iv) the time remaining to any redemption date or the maturity date;
- (v) economic, financial and political events in one or more jurisdictions, including factors affecting capital markets in general.

The price at which an investor will be able to sell any Instruments prior to maturity may be at a discount, which could be substantial, to the market value of such Instruments on the Issue Date.

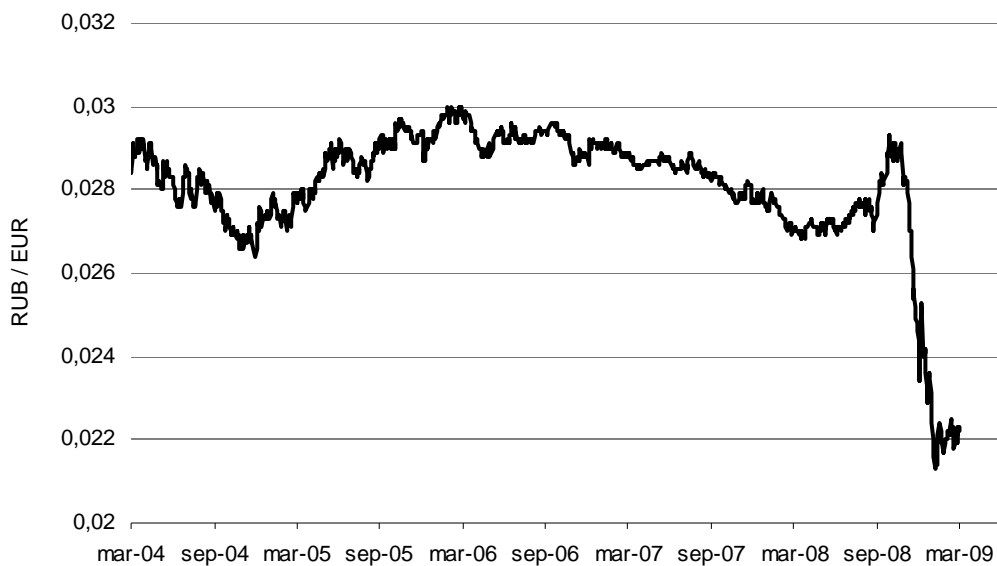
There can be no assurance as to how any Instruments will trade in the secondary market or whether such market will be liquid or illiquid. Application has been made to list the Instruments on NASDAQ OMX Copenhagen A/S. The fact that Instruments will be listed does not necessarily lead to greater liquidity. No assurance can be given that there will be a market for any Instruments. If any Instruments are not traded on any stock exchange, pricing information for such Instruments may be more difficult to obtain, and the liquidity and market prices of such Instruments may be adversely affected. The liquidity of the Instruments may also be affected by restriction on offers and sales of the Instruments in some jurisdictions.

## 8. RUSSIAN RUBLE

RUB is the official currency in Russia. The price of RUB is not formally pegged to any other currency or basket of currencies. The Russian central bank, Bank of Russia, has though declared, that the aim is to stabilise the fluctuations of RUB measured against a weighted index of US dollar (55 per cent) and EUR (45 per cent). For further information on the Russian central bank and/or the Russian currency and monetary policy, please consult Bank of Russia's web site at [www.cbr.ru](http://www.cbr.ru).

The historic performance of RUB/EUR for the last five years is illustrated in the graph below. It should be emphasised, that past performance by no means can be used to predict future developments.

**Graph 1: RUB/EUR, 31 March 2004 to 31 March 2009**



A surge in the price equals a strengthening of RUB against EUR and vice versa.

## 9. ARRANGER

Garanti Invest A/S  
Nicolai Eigtveds Gade 36  
DK-1402 Copenhagen K  
Denmark



# Russiske Rubler

2009-2012

Med denne blanket kan du bestille garantiobligationerne "0 % Kommunalbanken Russiske Rubler 2012" i tegningsperioden fra den 18. maj til den 29. maj 2009<sup>1</sup>. Obligationerne udstedes til emissionskursen som angivet nedenfor uden yderligere omkostninger. Stykstørrelsen på obligationerne er 10.000 kr. Mindste nominelle beløb, der kan tegnes er 10.000 kr. Betalingsdatoen er den 23. juni 2009.

ISIN kode DK0030169941

Jeg vil gerne købe nominelt \_\_\_\_\_ kr. til emissionskursen 105,0

Stilling \_\_\_\_\_

Navn \_\_\_\_\_

CPR/CVR nr. \_\_\_\_\_

Adresse \_\_\_\_\_

Postnr. \_\_\_\_\_ By \_\_\_\_\_

Tlf. \_\_\_\_\_

## Betaling

Beløbet skal trækkes på konto:

Pengeinstitut \_\_\_\_\_

Reg. nr. \_\_\_\_\_ Kontonr. \_\_\_\_\_

Evt. kontaktperson og tlf. nr. \_\_\_\_\_

Betalingen sker ved træk på ovennævnte konto på betalingsdatoen mod registrering i Værdipapircentralen.

## Registrering

Obligationerne ønskes registreret på depot i Værdipapircentralen:

Pengeinstitut \_\_\_\_\_

CD-ident. (5 cifre) \_\_\_\_\_ VP-depotnr. \_\_\_\_\_

## Tegningssteder

Blanketten afleveres i dit pengeinstitut eller sendes til:

Danske Andelskassers Bank A/S

Baneskellet 1 - Hammershøj - 8830 Tjele

Tlf. 87 99 30 00 - Fax 87 99 30 97

Dato \_\_\_\_\_

Underskrift \_\_\_\_\_

## Indleveret gennem (stempel)

Reg. nr.:	CD-ident.:
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<sup>1</sup> Bemærk: En garantiobligation er i henhold til lovgivningen om MiFID defineret som et "komplekst produkt". I henhold til MiFID skal investors pengeinstitut før tegning have indsigt i investors kendskab til og erfaring med produktet, herunder vurdere om produktet er hensigtsmæssigt for investor. Investor skal derfor kontakte sin lokale rådgiver før tegning, hvis investor ikke har handlet denne type produkter tidligere.