



FRN Tryg Forsikring A/S Subordinated Perpetual Bond Issue with call option for the Issuer

Terms:

Documentation:

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

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

Relevant Places:

www.tryg.dk; www.osloabm.no

Issuer/Borrower:

Tryg Forsikring A/S

Borrowing Limit – Tap Issue:

N/A

First Tranche / Loan Amount : ²⁾

NOK 800,000,000

Disbursement Date: ³⁾

20 March 2013

Maturity Date: ⁴⁾

Perpetual

NIBOR: ⁵⁾

3 months NIBOR

Margin:

+ 3.75 % p.a. until 20 March 2023 and thereafter 4.75 % p.a.

Coupon Rate: ⁶⁾

NIBOR + margin

Day Count Fraction– Coupon:

Act/360

Date of interest adjustment: ^{7) 9)}

Interest Payment Date

Business Day Convention: ⁸⁾

Modified Following

Interest Payment Date: ⁹⁾

20 March, 20 June, 20 September and 20 December each year

Interest accrual date (from and including):

Disbursement date

Final coupon date (to):

Maturity Date

days first term:

92 days

Status of the Loan ¹⁰⁾

The bonds shall constitute Additional Capital, and following implementation of Solvency II in Danish law, as Tier 2 Capital, and be included for purposes of calculating whether or not the Issuer complies with its Solvency Requirement, the bonds may not be redeemed, unless approved by the Danish FSA.

Issue Price: ¹¹⁾

100.00 (par)

Denomination:

NOK 1,000,000

Bondholder's put option: ¹²⁾

Redemption Date(s): N/A

Price: N/A

Issuer's call option: ¹³⁾

Redemption Date(s): Ordinary Call: Each Interest Payment Date, commencing 20 March 2023

Price: Ordinary Call: 100 % of Denomination

Regulatory Call: 100 % of Denomination

Regulatory Call: See below

Regulatory Call: If acts or regulations applicable to Danish

insurance companies change after the issue of the bonds and such changes lead to the bonds not qualifying, in whole or in part (i) Additional Capital (in all cases, after taking into consideration any applicable transitional period), (ii) following implementation of Solvency II in Danish law, Tier 2 Capital, or (iii) any other regulatory capital which is more beneficial to the Issuer for purposes of compliance with its Capital Requirement than Additional Capital or Tier 2 Capital, the Issuer has the right to redeem the Outstanding Bonds in whole or in part ("Regulatory Call") at a price equal to 100% of Denomination plus accrued interest and postponed interest, if any. Regulatory Calls may take place on each subsequent Interest Payment Date.

Outstanding bonds means the aggregate value of the total number of bonds not redeemed or otherwise discharged in the securities register.

Issuer's org. number: CVR no. 24260666 (Danish)
Number / Codes: **Sector Code :** 9000 **Geographic code:** 9101 **Industry (trade) Code:** 65120

Usage of funds: The purpose of the Issue is to strengthen the Issuer's Additional Capital. The Issuer intends for the Bonds to qualify as Tier 2 Capital following the implementation of Directive 2009/138/EF ("Solvency II") in Danish law.

Approvals / Permissions:

- The Bond Issue has been issued in accordance with the Issuer's Board approval dated 6 February 2013.
- Oslo Børs will inspect relevant documents prior to listing.

Trustee / Bondholders' Representative: Norsk Tillitsmann ASA, Postboks 1470 Vika, 0116 Oslo, Norway.

Arranger(s): DNB Markets (as part of DNB Bank ASA), Dronning Eufemias gt 30, 0191 Oslo, Norway

Paying Agent: DNB Bank ASA, Registrars Department

Securities Depository: The Norwegian Central Securities Depository (VPS). Principal and interest accrued will be credited the Bondholders through VPS.

Market making: No market-maker agreement has been made for this Issue.

Special (distinct) conditions: **Exercise of Call:** Call means Issuer's redemption right of Bonds at the date(s) stated (each a "Redemption Date") and corresponding price(s) (the "Price"). The Redemption Date shall be adjusted pursuant to an ordinary business day convention for this kind of issue.

Exercise of Call shall be notified by the Issuer to the Bondholders and the Bond Trustee at least thirty Business Days prior to the relevant Redemption Date.

Partial exercise of Call shall be carried out pro rata between the Bonds (according to the procedures in the Securities Register).

Write down: Regardless of any other clause, the Issuer has the right at a shareholders' meeting at or prior to the Redemption Date to resolve a write down of the Bonds, including accrued but unpaid interest, if the equity of the Issuer is lost and the share capital of the Issuer has been written down to zero and provided, further, that such write down can only occur if the Issuer is recapitalized and fulfills its Capital Requirement or if the Issuer is liquidated without losses for non subordinated debt. Any such write down may only be completed for an amount approved by the Danish FSA and the Issuers external auditors.

Capital Requirement is defined and calculated pursuant to section 127 in the Danish Financial Business Act.

Postponement of Interest payment:

The Issuer shall be entitled to postpone payment of interest at any time. Any postponed interest may be paid in whole or in part at any time in the Issuer's discretion.

Any postponed interest shall become due for payment on the earlier of:

- (a) Any Compulsory Interest Date
- (b) The date on which an order is made by any competent court or a resolution is passed for the liquidation or bankruptcy of the Issuer;
- (c) Any repayment by the Issuer pursuant to the "Exercise of Call" clause; or
- (d) Any termination of the loan by the Issuer pursuant to the "Write down" clause.

Regardless of clause (a) above, any postponed interest shall not become due for payment on a Compulsory Interest Date, if at such time (i) the Issuer is not in compliance with or would not following payment of such postponed interest be in compliance with its Capital Requirement or (ii) the Issuer is required to further postpone such postponed interest for the Bonds to qualify as Additional Capital or, following implementation of Solvency II in Danish law, Tier 2 Capital.

Compulsory Interest Date means the first Interest Payment Date following the occurrence of any of the following a declaration or payment of dividends on, or redemption or repurchase of shareholders' equity.

Capital Requirement is defined and calculated pursuant to section 127 in the Danish Financial Business Act.

Additional Capital means subordinated capital as defined in section 37 (1)(1) of the Base Capital Executive Order.

Base Capital Executive Order means executive order no. 915 on calculation of capital base issued by the Danish FSA under the Danish Financial Business Act and dated September 12, 2012.

Solvency II means Directive 2009/138/EF of November 25, 2009.

Tier 2 Capital means capital which is treated as a constituent of Tier 2 under the relevant rules by the Danish FSA for the purposes of the Issuer and this shall include all Additional Capital issued by the Issuer within the meaning of the Base Capital Executive Order or any executive order amending or replacing the Base Capital Executive Order.

Events of default:

The Bonds are classified as Additional Capital, which pursuant to Danish law may only be pre-paid if the Issuer enters into liquidation or is declared bankrupt. The Bonds cannot be pre-paid at the Bondholders option or otherwise, except with the consent of the Danish FSA.

Supplementary information about the status of the loan:¹⁰⁾

The Bonds are subordinated the Issuer's senior obligations, but shall rank pari passu with all other Additional Capital and ahead of the Issuer's shareholder equity.

Solvency Requirement shall be as set out in section 126(3) of the Danish Financial Business Act.

The Bonds are unsecured.

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

Loan Agreement:¹⁾ The Loan Agreement will be entered into between the Issuer and the Trustee prior to Disbursement Date. The Loan Agreement regulates the Bondholder's rights and obligations in relations with the Issue. The Trustee enters into this agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Loan Agreement.

When bonds are subscribed/purchased, the Bondholder has accepted the Loan Agreement and is bound by the terms of the Loan Agreement. If subscription is made prior to finalisation of the Loan Agreement, the subscriber is deemed to have granted authority to the Trustee to

finalise the Loan Agreement. For tap issues, the Loan Agreement will apply for later issues made within the Borrowing Limit. The parties' rights and obligations are also valid for subsequent issued bonds within the Borrowing Limit.

Open / Close: ³⁾⁴⁾	Tap Issues will be opened on Disbursement Date and closed no later than five banking days before Maturity Date.
Disbursement Date: ³⁾	Payment of the First Tranche / Loan Amount takes place on the Disbursement Date. In case of late payment, the applicable default interest rate according to "lov 17. desember 1976 nr 100 om renter ved forsinket betaling m.m." will accrue.
Expansions – Tap Issues: ²⁾	For Tap Issues the Issuer can increase the loan above the First Tranche/Loan Amount, before the initial Disbursement Date. For taps not falling on Interest Payment Dates, Accrued Interest will be calculated using standard market practice in the secondary bond market. The Issuer may apply for an increase of the Borrowing Limit.
Issue price – Tap Issues: ¹¹⁾	Any taps under the Tap Issue will be made at market prices, and will fall under the regulations set out in "emisjonsforskriften av 20. desember 1996".
Interest Determination Date: ⁷⁾	2 Business Days prior to Date of Interest Payment Date
Interest Determination: ⁶⁾⁷⁾	<p>The regulation of the Interest Rate is effective from each Interest Payment Date. The new interest rate is determined on Interest Determination Date based on NIBOR with additional margin.</p> <p>Should NIBOR not be available, the interest rate is set based on NIBOR Reference Banks plus Margin. The new interest rate and the next interest term/period will be notified the Bondholders in writing through the Securities Depository. The Trustee and Oslo ABM shall also be notified immediately.</p> <p>If any discrepancy should occur between the Issuer and the Trustee regarding change of page, or if the interest rate is set in accordance with NIBOR-reference banks, the Issuer or the Bondholders who represents minimum 1/10 of Outstanding Loan may appeal against the Interest Determination. Such an appeal must be presented in writing to the Trustee no later than 20 Business days after the bondholders being informed of the interest rate. The appeal will be dealt with by a committee comprising three members, of which one representative is nominated by the Issuer, one representative is nominated by the Trustee and a chairman agreed by the representatives of the two parties. If the parties cannot agree upon a chairman, this person will be nominated by Lord Chief Justice of the City of Oslo Magistrates Court. The decision made by the committee is final.</p> <p>The notification of the complaint together with the final determination of the interest rate shall be forwarded to the Bondholders through the Securities Depository. If a complaint is made, the current notification shall also be forwarded to Oslo ABM.</p>
NIBOR – definition: ⁵⁾	<p>The interest rate, rounded to the nearest hundredth percentage points, for an equivalent time period as mentioned under NIBOR that is quoted on the Reuters page NIBR at 12 p.m. in Oslo on the Interest Determination Date.</p> <p>Should the content of the Reuters page NIBR be changed such that the quoted interest rate is not representing, according to the Trustee and the Issuer, the same interest rate as at the time of disbursement or if the page in question is removed from the Reuters system, another page on Reuters shall be used. A page from another electronic news agency that gives the same interest rate as Reuters' page NIBR did at disbursement date can also be used if the Trustee and the Issuer agree upon this.</p>
NIBOR – reference banks:	The interest rate fixed on basis of the interest on deposits in the inter-bank market in Oslo quoted by the 4 largest authorised exchange banks in the Norwegian market at approximately 12 p.m. in Oslo on the Interest Determination Date for a period as mentioned in NIBOR that starts on the Interest Determination Date and is valid for a comparable amount. The Trustee shall ask the head office of each bank to quote such an interest rate. If two or more quotes are given, the interest rate shall be fixed to the arithmetic mean of the quotes. If less than two quotes are given, the interest rate shall be set to the arithmetic mean of the interest rates quoted by banks selected by the Trustee approximately 12 p.m. in Oslo on the Interest Determination Date for loans in NOK to leading banks in Europe for a time period as mentioned in NIBOR which starts on the date of which the interest rate is set valid for a comparable amount. An interest rate determined by calculation of the arithmetic

mean is rounded to the nearest hundredth percentage points.

Yield:	Dependent on the market price. Yield for the first Interest Period will be notified 2 Banking Days prior to Disbursement Date.
Interest Period: ⁹⁾⁷⁾	The interest is paid in arrears on the Interest Payment Date. The first interest period matures on the first Interest Payment Date after the Disbursement Date. The next period runs from this date until the next Interest Payment Date. The last period of interest ends on Maturity Date.
Accrued interest:	Accrued Interest for trades in the secondary bond market are calculated on the basis of current recommendations of Norsk Finansanalytikeres Forening.
Standard Business Day Convention: ⁸⁾	Modified Following: If the Interest Payment Date is not a banking day, the Interest Payment Date shall be postponed to the next banking day. However, if this day falls in the following calendar month, the Interest Payment Date is moved to the first banking day preceding the original date.
Condition – Bondholder’s put option: ¹²⁾	On Redemption Date the Bondholders have a right to redeem the bonds at the Corresponding Price. Claim of redemption must be received by the account operator investor in writing no later than 15 banking days prior to the Redemption Date in question, as mentioned under The Bondholders Put Option.
Condition – Issuer’s call option: ¹³⁾	On Redemption Date, the Issuer has a right to redeem the bonds, completely or partly by drawing lots at the Corresponding Price. If the Issuer makes use of this right to redemption, the Issuer shall notify the Trustee, Bondholders and Oslo ABM regarding this matter no later than 30 banking days prior to the Redemption Date in question. The notification shall also be forwarded to the Bondholders through the Securities Depository as soon as possible.
Registration:	The loan must prior to disbursement be registered in the Securities Depository. The bonds are being registered on each Bondholders account in the Securities Depository.
Issuer’s acquisition of bonds:	The issuer has the right to acquire and own the bonds. Such bonds may at the Issuer’s discretion be retained by the Issuer, sold or used for partial redemption.
Amortisation: ⁴⁾	The bonds will run without instalments and be repaid in full on Maturity Date at par, provided the Issuer has not called the bonds.
Redemption:	Matured interest and matured principal will be credited each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of May 18 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.
Sale:	Tranche 1/ Loan Amount has been sold by the Arranger(s). Later taps can be made by authorized securities brokers.
Legislation:	Disputes arising from or in connection with the Loan Agreement, which are not resolved amicably, shall be resolved in accordance with Danish law in the City Court of Copenhagen. Legal suits shall be served at the Trustee’s competent legal venue.
Fees and expenses:	The Issuer shall pay any stamp duty and other public fees in connection with the loan. Any public fees or taxes on sales of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise decided by law or regulation. The Issuer is responsible for withholding any withholding tax imposed by Danish or Norwegian law.

Ballerup (Denmark), 12 March 2013

