

## FINAL TERMS

13 December 2010

**KLP Kommunekreditt AS**  
**Issue of NOK 250,000,000 Fixed Rate Covered Bonds due 15 December 2020 (Extendable to 15 December 2021)**  
**under the € 10,000,000,000 Covered Bond Programme**

### 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 5 August 2010 and the supplement to the Base Prospectus dated 9 September 2010 which together constitute a base prospectus for the purposes of Directive 2003/71/EC (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus as so supplemented. Full information on the Issuer and the offer of the Covered Bonds 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 are available for viewing at KLP Kommunekreditt AS, Beddingen 8, 7014 TRONDHEIM, NORWAY and [klp.no](http://klp.no) and copies may be obtained from the above address.

1	Issuer:	KLP Kommunekreditt AS
2	(i) Series Number:	5
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	NOK
4	Aggregate Nominal Amount of Covered Bonds admitted to trading:	
	Series:	NOK 250,000,000
	Tranche:	NOK 250,000,000
5	Issue Price:	100 per cent. of the Aggregate Nominal Amount
6	(i) Specified Denominations:	NOK 500,000
	(ii) Calculation Amount:	NOK 500,000
7	(i) Issue Date:	15 December 2010
	(ii) Interest Commencement Date:	
	(a) Period to Maturity Date:	Issue Date
	(b) Period from Maturity Date up to Extended Maturity Date:	Maturity Date
8	(i) Maturity Date:	15 December 2020
	(ii) Extended Maturity Date:	Applicable

The Extended Maturity Date is 15 December 2021

In accordance with the Conditions and these Final Terms, if the Issuer fails to redeem the Covered Bonds in full on the Maturity Date or within two Business Days thereafter, the maturity of the principal amount outstanding of the Covered Bonds will automatically be extended up to one year to the Extended Maturity Date without constituting an event of default or giving holders of the Covered Bonds any right to accelerate payments on the Covered Bonds. In that event, the interest rate payable on and the interest periods and Interest Payment Dates, in respect of, the Covered Bonds, will change from those that applied up to the Maturity Date and the Issuer may redeem all or part of the principal amount outstanding of those Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date up to and including the Extended Maturity Date, all in accordance with the Conditions and these Final Terms.

9	Interest Basis:	
	(i) Period to (and including) Maturity Date:	4.60 per cent. Fixed Rate (further particulars specified below)
	(ii) Period from (but excluding) Maturity Date up to (and including) Extended Maturity Date:	3-month NIBOR + 0.50 per cent. Floating Rate (further particulars specified below)
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest Basis or Redemption/ Payment Basis:	Not Applicable
12	Put/Call Options:	Not Applicable
13	Status of the Covered Bonds:	The Covered Bonds are unsubordinated obligations issued in accordance with Act No. 40 of 10 June 1988 on Financing Activity and Financial Institutions, Chapter 2, Sub-chapter IV and appurtenant regulations (the “ <b>Financial Institutions Act</b> ”) and rank <i>pari passu</i> among themselves and with all other obligations of the Issuer that have been provided the same priority as debt instruments issued pursuant to the Financial Institutions Act. To

the extent that claims in relation to the Covered Bonds and relating derivative contracts are not met out of the assets of the Issuer that are covered in accordance with the Financial Institutions Act, the residual claims will rank *pari passu* with the unsecured and unsubordinated obligations of the Issuer.

14 Method of distribution: Non-syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE (TO MATURITY DATE)**

15 Fixed Rate Covered Bond  
Provisions: Applicable

(i) Rate(s) of Interest: 4.60 per cent. per annum payable annually in arrear

(ii) Interest Payment Date(s): 15 December in each year up to and including the Maturity Date

(iii) Fixed Coupon Amount(s): NOK 23,000 per Calculation Amount

(iv) Broken Amount(s): Not Applicable

(v) Day Count Fraction: 30/360

(vi) Determination Date(s): Not Applicable

(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: None

16 Floating Rate Covered Bond  
Provisions: Not Applicable

17 Zero Coupon Covered Bond  
Provisions: Not Applicable

18 Index Linked Interest Covered Bond  
Provisions: Not Applicable

19 Dual Currency Covered Bond  
Provisions: Not Applicable

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE (FROM MATURITY DATE UP TO EXTENDED MATURITY DATE)**

20 Fixed Rate Covered Bond  
Provisions: Not Applicable

21 Floating Rate Covered Bond  
Provisions: Applicable

(i) Specified Period(s)/Specified Interest Payment Dates: Specified Interest Payment Dates are 15 March, 15 June, 15 September and 15 December from and including 15 March 2021 to and including the Extended Final Maturity Date, subject to adjustment in accordance with the Business Day Convention below.

	(ii) Business Day Convention:	Modified Following Business Day Convention
	(iii) Additional Business Centre(s):	For the avoidance of doubt Oslo will be the only Business Centre applicable related to interest payments
	(iv) Manner in which the Rate of Interest and Interest Amount is to be determined:	Screen Rate Determination
	(v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Fiscal Agent):	Not Applicable
	(vi) Screen Rate Determination:	
	– Reference Rate:	3-months NIBOR
	– Interest Determination Date(s):	Second Oslo business day prior to the start of each Interest period
	– Relevant Screen Page:	Reuters page NIBR
	(vii) ISDA Determination:	Not Applicable
	– Floating Rate Option:	Not Applicable
	– Designated Maturity:	Not Applicable
	– Reset Date:	Not Applicable
	(viii) Margin(s):	+0.50 per cent. per annum
	(ix) Minimum Rate of Interest:	Not Applicable
	(x) Maximum Rate of Interest:	Not Applicable
	(xi) Day Count Fraction:	Actual/360
	(xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Covered Bonds, if different from those set out in the Conditions:	As set out in the conditions
22	Index Linked Interest Covered Bond Provisions:	Not Applicable
23	Dual Currency Covered Bond Provisions:	Not Applicable
<b>PROVISIONS RELATING TO REDEMPTION</b>		
24	Issuer Call:	Not Applicable
25	Investor Put:	Not Applicable

26	Final Redemption Amount of each Covered Bond:	NOK 500,000 per Calculation Amount
27	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 5(e)):	As set out in condition 5 (e)

**GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS**

28	Form of Covered Bonds:  (i) Form:	VPS Covered Bonds issued in uncertificated book-entry form
29	(ii) New Global Covered Bond: Additional Financial Centre(s) or other special provisions relating to Payment Dates:	No Oslo
30	Talons for future Coupons or Receipts to be attached to Definitive Covered Bonds (and dates on which such Talons mature):	No
31	Details relating to Partly Paid Covered Bonds: amount of each payment comprising the Issue Price and date on which each payment is to be made and, if different from those specified in the Temporary Global Covered Bond, consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Covered Bonds and interest due on late payment:	Not Applicable
32	Details relating to Instalment Covered Bonds:  (i) Instalment Amount(s):  (ii) Instalment Date(s):	Not Applicable Not Applicable
33	Redenomination applicable:	Redenomination not applicable
34	Other final terms:	The Notes will be issued in uncertificated and dematerialised book entry form. Legal title to the Notes will be evidenced by book entries in the

records of VPS. DnB NOR Bank ASA (the "VPS Account Manager") will act as agent of the Issuer in respect of all dealings with the VPS in respect of the Notes. The Notes may not be exchanged for Bearer Notes or for Registered Notes. As the Notes are in dematerialized form, any references in the Conditions to Receipts, Coupons and Talons shall not apply to the Notes and no global or definitive Notes will be issued in respect thereof. The Conditions shall be construed accordingly.

Settlement of sale and purchase transactions in respect of Notes in the VPS will take place three Oslo business days after the date of the relevant transaction. Transfers of interests in the Notes will take place in accordance with the rules and procedures for the time being of the VPS.

The holder of a Note will be the person evidenced as such by a book entry in the records of the VPS. Title to the Notes will pass by registration in the registers between the accountholders at the VPS in accordance with the rules and procedures of the VPS. Where a nominee is so evidenced, it shall be treated by the Issuer as the holder of the relevant Note. Notes will be transferable only in accordance with the rules and procedures for the time being of the VPS.

Payments of principal and interest in respect of the Notes will be made to the Noteholders shown in the records of the VPS in accordance with and subject to the rules and regulations from time to time governing the VPS.

References to the Notes being cancelled shall be deemed to mean that they shall be deleted from the records of the VPS. If the holder of a Note gives notice to the Fiscal Agent that such Note is immediately repayable in accordance with Condition 10 (Events of Default), the holder shall also at the same time give notice as such to the VPS Account Manager.

The Issuer is entitled to vary or terminate the appointment of any VPS Account Manager provided that there will at all times be a VPS Account Manager authorised to act as an account

operating institution with the VPS.

Any notices to be given by the Issuer in respect of the Notes shall be given in accordance with the procedures of the VPS

For the purposes of a meeting of Noteholders, the person named in a certificate from the VPS shall be treated as the holder of the Notes specified in such certificate provided that he has given an undertaking not to transfer the Notes so specified (prior to the close of the meeting) and the Issuer and the Fiscal Agent shall be entitled to assume that any such undertaking is validly given shall not enquire as to its validity and enforceability, shall not be obliged to enforce any such undertaking and shall be entitled to rely on the same.

#### DISTRIBUTION

- |    |   |                      |
|----|---|----------------------|
| 35 | (i) If syndicated, names of Managers:   | Not Applicable       |
|    | (ii) Stabilising Manager (if any):  | Not Applicable       |
| 36 | If non-syndicated, name of relevant Dealer, and   | DnB NOR Markets ASA  |
| 37 | Whether TEFRA D rules applicable or TEFRA rules not applicable or TEFRA D (Swiss Practice): | TEFRA not applicable |
| 38 | Additional selling restrictions:  | Not Applicable       |

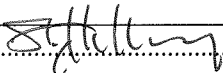
#### LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Covered Bonds described herein pursuant to the €10,000,000,000 Covered Bond Programme of KLP Kommunekreditt AS.

#### RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

	
By:	Stig Helberg, Chairman of the board <i>Duly authorised</i>

## PART B — OTHER INFORMATION

- 1 **LISTING AND ADMISSION TO TRADING:**
- (iii) Listing: Oslo
- (iv) Admission to trading: Application has been made for the Covered Bonds to be admitted to trading on the Oslo Stock Exchange's regulated market with effect from 16 December 2010
- (v) Estimate of total expenses related to admission to trading: NOK 4,219
- 2 **RATINGS:** The Covered Bonds have been assigned the following ratings:
- Fitch: AAA
- Moody's: Aaa
- 3 **NOTIFICATION:**
- Not Applicable
- 4 **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE:**
- Save for any fees payable to the Dealers, so far as the Issuer is aware, no person involved in the issue of the Covered Bonds has an interest material to the offer.
- 5 **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES:**
- (i) Reasons for the offer: General funding purposes
- (ii) Estimated net proceeds: NOK 250,000,000
- (iii) Estimated total expenses: Not Applicable
- 6 **YIELD: Fixed Rate Covered Bonds only** 4.60 per cent.
- 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
- 7 **PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING:** (*Index-Linked Covered Bonds only*)
- Not Applicable
- 8 **PERFORMANCE OF RATE[S] OF EXCHANGE:** (*Dual Currency Covered Bonds only*)
- Not Applicable
- 9 **OPERATIONAL INFORMATION:**
- (vi) ISIN Code: NO 0010592900
- (vii) Common Code: 056709169
- (viii) Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking, societe anonyme or Swiss Securities Services Corporation (together with *Verdipapirsentralen, Norway*. VPS identification number: 985 140 421. The Issuer shall be entitled to obtain certain information from the register maintained by the VPS for the purposes of performing its



the address of each such clearing system) and the relevant identification number(s): obligations under the issue of VPS Covered Bonds.

- (ix) Delivery: Delivery against payment
- (x) Names and addresses of additional Paying Agent(s) (including any Swiss Paying Agents or Principal Swiss Paying Agent) (if any): DnB NOR Bank ASA, Verdipapirservice, Stranden 21, N-0021 Oslo, Norway
- (xi) Intended to be held in a manner which would allow Eurosystem eligibility: No