FINAL TERMS

Final Terms dated 15 April 2008

MUNICIPALITY FINANCE PLC (Kuntarahoitus Oyj)

Issue of DKK 75,000,000 Capital Protected Profit Lock-in Notes Linked to MarketGrader 40 $ Class due 30 April 2014 (the "Notes")

Guaranteed by

THE MUNICIPAL GUARANTEE BOARD (Kuntien takauskeskus)

under the **€8,000,000,000**

Programme for the Issuance of Debt Instruments

Terms used herein shall be deemed to be defined as such for the purposes of the conditions set forth in the Base Prospectus dated 1 June 2007 which 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 Notes 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, the Guarantor and the Notes described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at Municipality Finance Plc, Antinkatu 3 C, 00100 Helsinki, Finland and at the website www.munifin.fi and at the website of OMX Nordic Exchange Copenhagen A/S – www.omxgroup.com/nordicexchange.

HOLDERS OF THESE NOTES SHOULD UNDERSTAND THAT PAYMENTS IN EXCESS OF THE PRINCIPAL AMOUNT AND ANY PROCEEDS OF THE NOTES DEPEND ON THE INCREASE OR DECREASE IN THE VALUE OF FUND UNITS IN THE REFERENCE FUND (MARKETGRADER 40, A SUB-FUND OF SPA ETF PLC, $ CLASS, AUTHORISED AS A UCITS FUND AND MANAGED BY LONDON AND CAPITAL ASSET MANAGEMENT LIMITED, AUTHORISED AND REGULATED BY THE FINANCIAL SERVICES AUTHORITY IN IRELAND). POTENTIAL INVESTORS SHOULD NOTE THAT THE INVESTMENTS OF THE REFERENCE FUND ARE SUBJECT TO MARKET FLUCTUATIONS AND OTHER RISKS INHERENT IN INVESTING IN SECURITIES OF THE KIND AND NATURE IN WHICH THE REFERENCE FUND INVESTS AND THERE CAN BE NO ASSURANCE THAT ANY APPRECIATION IN VALUE WILL OCCUR. POTENTIAL INVESTORS SHOULD CLOSELY STUDY THE FUND FUNCTIONALITY, INVESTMENT STRATEGY AND RISK PROFILE, PLEASE SEE THE INFORMATION MEMORANDUM OF THE FUND DATED 5 SEPTEMBER 2007 (AVAILABLE AT WWW.SPA-ETF.COM).

Description of the Notes

The Constant Proportion Portfolio Insurance ("CPPI")

A CPPI-instrument is a capital guarantee derivative security that embeds a dynamic trading strategy in order to provide participation to the performance of a certain underlying.

CPPI offers an investment with total or partial protection of principal. The principal protection is achieved by adjusting the exposure to risk assets in the underlying portfolio such that the underlying portfolio is able to absorb a certain decrease in value before the value of the underlying portfolio falls below a certain predetermined value. This value may, for example, be a value which is linked to the present value of the principal protection. The reduction in value which the underlying portfolio can absorb is often referred to as the cushion.

The size of the exposure to the risk asset is determined from time to time by a multiplier. In practice, the stipulated exposure to the risk asset is equal to the cushion multiplied by the multiplier. The strength of the link between the exposure and the risk asset vis-à-vis the product of the cushion and the multiplier may, however, vary from product to product. For example, the exposure to the risk asset may be allowed to deviate to a greater or lesser degree from the product of the cushion and the multiplier without the underlying portfolio being adjusted. If the multiplier is constant over time, the product is referred to as CPPI. In addition to the risk assets, the underlying portfolios may comprise loans or cash.

The flexibility of CPPI allows for a high degree of variation in the choice of underlying assets. Mixed portfolios, i.e. portfolios comprising several types of assets, may occur.

Description of the Reference Fund

The MarketGrader 40 $ Class (ISIN IE00B1X4RN73) is a sub fund of SPA EFT plc, an Irish open-ended investment company. The Reference Fund offers US dollar, Euro and Sterling share classes and is a UCITS III (FSA recognised) fund. The US dollar share class is listed on the London Stock Exchange.

The investment objective of the Reference Fund is to provide medium to long-term capital appreciation through investing in US equities which aim to track the composition of and thereby replicate, the MarketGrader 40 index, an index of U.S. equities produced by MarketGrader. The MarketGrader 40 index invests in 40 equally weighted equities chosen from a universe of approximately 5,700 North American equities selected in accordance with the methods set out in Annex 4 to these Final Terms under the section entitled "Construction". It is rebalanced quarterly. A list of the index components will be made available on the internet at www.spa-etf.com. The MarketGrader 40 index is described in further detail in Annex 4 to these Final Terms.

The Reference Fund attempts to approximate the investment performance of the MarketGrader 40 index by purchasing each component security of the index, in approximately the same proportion as it appears in the index. The set of rules comprising the selection of components (each of which is listed or traded in the United States), rebalancing, maintenance and corporate actions, trading suspensions, trading schedule, publication of index information and definitions in respect of the index is set out in Annex 4 to these Final Terms.

At least 95 per cent. of the assets of the Reference Fund will be invested in the component securities of the index and the remainder of such assets may be invested in money market instruments, which will be retained to meet expenses of the Reference Fund. From time to time, in accordance with the index's rebalancing dates, adjustments will be made in the portfolio of the Reference Fund in accordance with changes in the composition of the index. It is expected that the Reference Fund should have a minimal tracking error relative to the performance of the index.

The Reference Fund is subject to the investment restrictions set out in Annex 4 to these Final Terms.

SPA ETF plc will employ a risk management process which will enable it to monitor, measure and manage the risks attached to financial derivative instruments and details of this process have been provided to the Irish Financial Services Regulatory Authority. SPA ETF plc does not utilise financial derivatives which have not been included in the risk management process until such time as a revised risk management process has been submitted to, and cleared by, the Irish Financial Services Regulatory Authority.

Description of MarketGrader

MarketGrader is a private U.S., family-owned independent research provider that is dedicated to serving individual and institutional investors across the world. It was founded in 1999, and in 2003 it launched its flagship product, the MarketGrader System.

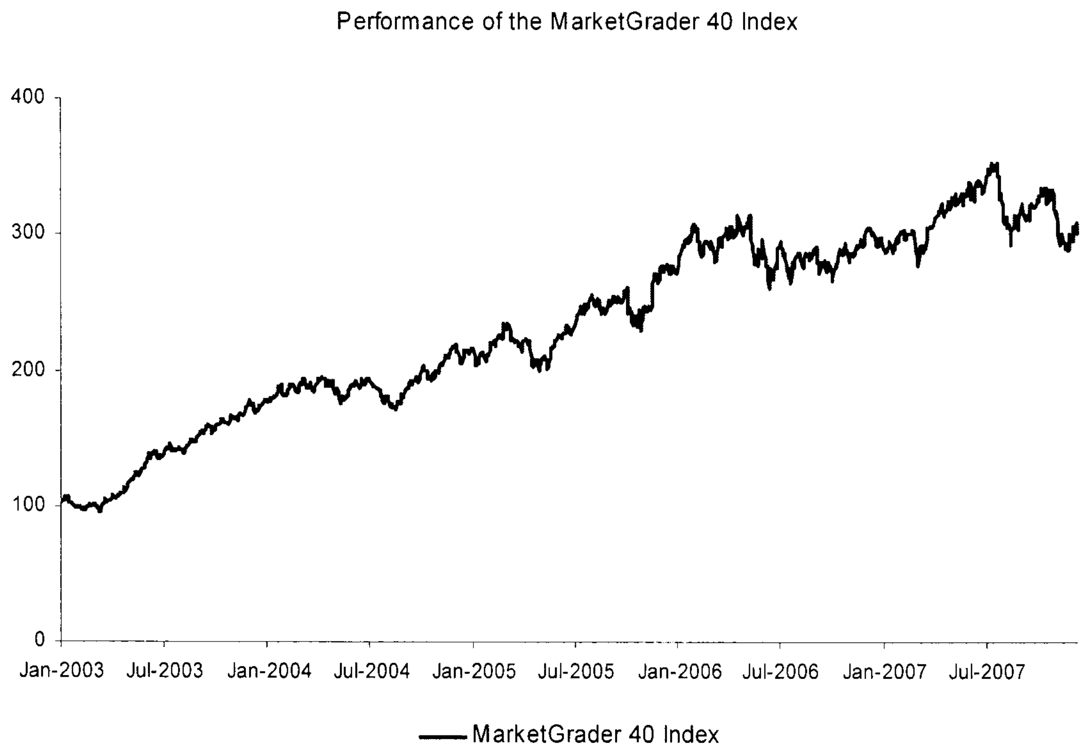
The MarketGrader System is a computer-driven analysis programme that evaluates the U.S. economy, approximately 10 economic sectors, 147 industries and reviews approximately 5,700 U.S. listed companies, including virtually all securities listed on the New York Stock Exchange, the American Stock Exchange and Nasdaq (excluding all over-the-counter bulletin board stocks), including over 400 American Depositary Receipts. The programme uses a combination of security and mathematical analysis.

For every security it covers, the MarketGrader System performs an analysis of quarterly and annual company-reported data. MarketGrader does not issue forward looking information such as earnings estimates, price targets or projections. The analysis, performed by the system every day for each company, is based on a series of indicators broken down into four categories – growth, value, profitability and cash flow – each category having six indicators. Some of these indicators are common to all industries, such as long term market performance and EBITDA margin, whilst others are specific to each industry covered. For example, for a bank security, *inter alia*, capital ratios and net interest margin are indicators, and for an insurance security, *inter alia*, the value of premiums is an indicator. The individual indicators are each separately graded for every company covered based on mathematical formulae. The result of each indicator is a final grade A+ to F. A precise explanation of each indicator grade as well as the numbers relating to the formulae used is available on MarketGrader's website (www.marketgrader.com). The MarketGrader System then calculates an overall grade, which ranges between 0 and 100, for each security from the grading of the 24 indicators. These overall grades are used by the MarketGrader System for index selection.

The MarketGrader System's first index, known as the MarketGrader 40 index, comprises 40 securities and has existed since May 2003. The composition and performance of the MarketGrader 40 index has been calculated for a number of years and it is this index whose performance the Reference Fund will aim to replicate.

Potential investors in the Reference Funds should be aware that the historical performance of the MarketGrader 40 index can provide no guarantee as to the future performance of this index.

Information regarding the yield of the MarketGrader 40 index – historic



Since the MarketGrader 40 $ share class was only listed 14 September 2007 (Bloomberg ticker [SMFT LN <Equity>]), the graph shows the development in the MarketGrader 40 index. An increase in the curve means that the MarketGrader 40 index has increased in value. The MarketGrader 40 index is set to the index number 100 on 31 December 2002. Source: Bloomberg, Ticker [MGFTY <Equity>].

Potential investors in the Reference Funds should be aware that the historical performance of the MarketGrader 40 index can provide no guarantee as to the future performance of Reference Fund.

Per annum development in the Reference Fund	Redemption Price in per cent. per Denomination of DKK 10,000
-10%	100
-5%	100
0%	100
5%	134
10%	171
20%	330

The table shows the hypothetic redemption price based on a hypothetical per annum development in the Reference Fund.

If however the Reference Fund should initially increase and subsequently decrease, the Notes could still be redeemed at a price above par. An example of such a situation is shown in the example below:

Assumptions:

Index Value at Issue Date: 100.00

Index Value after 3 years: 150.00

Index Value at maturity: 90

As the Index Value increases, the Capital Protection (CP) has also increased. CP = 112.5 (CP = 100 + 25% *(150-100)).

Even though the Index Value has fallen below the initial value the Notes will still be redeemed at the higher of Index Value and CP. In this case the Notes are redeemed at a price of 112.5 per cent of the Specified Denomination.

Risk Factors

Investing in the Notes involves certain risks. Potential investors should read and asses the following risk factors prior to an investment in the Notes in addition to the Risk Factors set out in the Base Prospectus.

Important Considerations

Prospective investors in the Notes should (and by purchasing the Notes will be deemed to have acknowledged the following):

a) be investors who are willing to take certain risks, can absorb a complete loss of their investment in the Notes (subject to principal protection of the principal amount only upon maturity) and are experienced with respect to transactions involving instruments such as the Notes, in terms of both the risks associated with the economic terms of the Notes and the risks associated with the way in which the issue of the Notes is structured;

b) understand the characterisation of the Notes and any risks and potential consequences associated with an investment in the Notes;

c) understand that the value of the Notes may be affected by actions of SPA ETFs Inc. (the "**Investment Adviser**") in respect of the Reference Fund, but that the Investment Adviser does not owe any legal duty to act in the interests of the Holders in taking such actions;

d) conduct such independent appraisal of the Issuer, the Notes, the Reference Fund and all other relevant market and economic factors as they think appropriate to evaluate the merits and risks of an investment in the Notes;

e) only reach an investment decision after careful consideration, with their own legal, investment, accounting and tax advisors of the suitability of an investment in the Notes in the light of their own particular financial, fiscal and other circumstances and the information set out in this document;

f) recognise that the Notes may decline in value and should be prepared to sustain a significant loss of their investment in the Notes (subject to principal protection of the principal amount only upon maturity) and that they may receive an amount less than their initial investment if (i) the Notes are redeemed prior to the Maturity Date or (ii) investors sell their Notes prior to the Maturity Date;

g) recognise that the Calculation Agent does not make any representation or warranty whatsoever as to the Index Value, the Reference Fund or the allocation as between Risky Exposure and the Non-Risky Exposure as of any time on any day and the Calculation Agent shall not be liable (whether in negligence or otherwise) to any person for any error in the Index and shall not be obliged to notify any person of any error therein; and

h) recognise that if the Notes are redeemed prior to their stated maturity the amount payable to Holders may be less than their initial investment in the Notes.

An investment in the Notes should only be made after assessing the direction, timing and magnitude of potential future changes in the value of the Reference Fund, as the return of any such investment will be dependent, inter alia, upon such changes.

An investment in the Instruments, which are linked to the performance of a fund, entails significant risks not associated with a similar investment in fixed or floating rate debt securities. Holders of the Notes should understand that payments in excess of the principal amount and any proceeds of the Notes depend on the increase or decrease in the value of fund units in the Reference Fund, authorised as a UCITS fund and managed by London and Capital Asset Management Limited. Potential investors should note that the investments of the Reference Fund are subject to market fluctuations and other risks inherent in investing in securities of the kind and nature in which the Reference Fund invests and there can be no assurance that any appreciation in value will occur. Potential investors should closely study the fund functionality, investment strategy and risk profile of the Reference Fund.

Risks Relating to the Shares

Shares

The Notes are linked to the performance of the Index which comprises, amongst other things, the Shares. The Shares are notional investments in the Reference Fund.

Prospective purchasers should note that the Shares are speculative investments and that all the risks inherent in investing in the Reference Fund directly will be inherent in an investment in the Notes to the extent the Index is allocated to Shares (subject to principal protection of the principal amount only upon maturity). Prospective purchasers should however note that the Notes do not entitle the Holders to any of the rights of Holders of shares of the Reference Fund. Prospective purchasers should note that Holders shall have no legal or beneficial ownership or interest in the shares of the Reference Fund or any other component of the Index and shall have no contractual relationship with any of the Reference Fund or the Investment Adviser by reason only of having purchased Notes.

The Issuer does not make any representation, warranty or guarantee (express or implied) regarding the condition (financial or otherwise) of the Index, the Reference Fund or the performance of the Shares.

There will be no linear relation between the value of the Shares and the value of the Notes. Therefore, investors in the Notes will not receive the same return as they would if they invested directly in the Shares.

Composition of the Index

As set out in Annex 2, the Index comprises the Risky Exposure, the Non-Risky Exposure and the Leverage Amount. The allocation of the Index to Risky Exposure and Non-Risky Exposure may be recomposed on each Valuation Date depending on the net asset value of the Reference Fund, the Index Value, the Leverage Amount, the Capital Protection and the Bond Floor on such Valuation Date. Any such recomposition may result in an increase or decrease in the notional number of Shares in the Index.

The periodic adjustment of the Index will have the effect of altering the relative composition of the Index based on multiple factors, including but not limited to the performance of the Reference Fund, option volatility of the Reference Fund, interest rates, exchange rates and time remaining to maturity. Generally, as the relative historical performance of the Reference Fund or prevailing interest rates decrease, or the volatility of the Reference Fund increases, the portion of the Index allocated to Share decreases. As a result, Holders should understand that they may receive less than what they may have received had they invested in the Reference Fund directly.

Specifically, if the Reference Fund experiences a period or periods of volatility, the recomposition procedure will effectively require a reduction in (selling of) notional Shares as they are falling in price, and increases in (purchasing of) notional Shares as they are rising in price. Such notional purchases and sales will negatively affect the Index Value, particularly if prolonged or numerous periods of volatility are experienced.

Prospective Holders should note that the allocation of the Index to Shares at any Valuation Date is dependent upon, amongst other things, the net asset value of the Shares. The net asset value of the Shares as at any Valuation Date is calculated by reference to the last available net asset value as on the relevant Valuation Date. If such net asset value is not published or made available when required for the purposes of determining any recomposition, the net asset value of the Shares shall be the net asset value determined by the Calculation Agent as of the relevant Valuation Date by reference to such source(s) as it may in its sole and absolute discretion consider appropriate. Such net asset value may be different to the net asset value of the Reference Fund were such amount published in accordance with the prospectus and the prospectus supplement of the Reference Fund dated 5 September 2007 on such Valuation Date and no subsequent adjustment will be made in respect of any recomposition if such estimated net asset value is subsequently determined to be different from the net asset value on such Valuation Date.

There may be a delay between calculation of the net asset value of the Shares for the purposes of adjustments to be made to the Index, execution of subscription orders in respect of units in the Reference Fund, execution of an acquisition or disposal of investment holdings of the Reference Fund and the reflection of such executions in the net asset value of the Shares. A redemption of units in the Reference Fund is also subject to liquidity constraints which can further delay this process. Accordingly, such redemptions or subscriptions may not be for value until the Investment Adviser has realised the proceeds of a corresponding liquidation in the assets of the Reference Fund, which may itself take time depending upon market conditions (including the liquidity of such assets) and settlement practices prevailing in the relevant market at that time. In such cases, the Calculation Agent may make adjustments in accordance with the provisions set out under Fund Disruption Events in Annex 2.

Fees

In determining the Index Value on any Valuation Date, for so long as part of the Index is allocated to Risky Exposure or Non-Risky Exposure, the Capital Protection Fee will be added to the Leverage Amount on such Valuation Date. As a result the return (if any) on the Index Value is less than would otherwise be the case (without Capital Protection).

The shares in the Reference Fund are subject to underlying fees as set out in the prospectus and the prospectus supplement of the Reference Fund dated 5 September 2007. Such underlying fees are reflected in the net asset value which in turn is reflected in the Share used in determining the Index Value. The overall effect of underlying fees in relation to the Reference Fund may be to cause the Index Value to be significantly lower than would otherwise be the case.

The Dealer and/or any affiliate may pay to distributors of the Notes such commissions or fees as such parties may agree (including in the form of a discount to the purchase price of the Notes). In addition, following the Issue Date such parties may pay or receive such fees on an on-going basis.

Secondary Market of the Notes

The Notes are intended for investors who purchase and hold the Notes to maturity. It is unlikely that any secondary market in the Notes will exist. Whilst application has been made to admit the Notes to trading on the OMX Nordic Exchange Copenhagen A/S, no assurance can be given as to whether or not, or when, such applications will be granted.

The market value of the Notes is expected to fluctuate significantly according to various factors including but not limited to the performance of the Reference Fund, option volatility of the Reference Fund, interest rates, exchange rates, time remaining to maturity and any potential changes in the credit rating of the Issuer. The price at which a Holder will be able to sell the Notes on the secondary market prior to the maturity of the Notes may be at a discount from the principal amount, which could be substantial, and there is no assurance that such Noteholder will realise any return on its investment in the Notes.

Nordea Bank Danmark A/S is not obliged to purchase Notes, and if it does so purchase Notes, will have total discretion with regards to the terms and price of such purchases. Such price may be less than the principal amount of the Notes. The "buy-and-hold" nature of the Notes will be reflected in the "bid-offer" spread and in that additional trading costs is likely to apply.

Deleverage

Prospective Holders should note that a Suspension Event may occur in certain circumstances described in Annex 2.

Upon the occurrence of a Suspension Event the allocation to Shares shall be decreased to zero and no further allocation into Shares may subsequently be made. In such circumstances, the Notes will represent notional investments in the Zero Bond, Holders will receive no further economic exposure to the Reference Fund and they may receive an amount that would be less than what they may have received had they invested in the Reference Fund directly.

Reallocation

The Calculation Agent may adjust the Index methodology to take account of certain fiscal, market, regulatory, juridical or financial circumstances or may adjust the Index in any manner that it may deem necessary or desirable, including (without limitation) to correct any manifest or proven error or cure, correct or supplement any defective provision therein. Any such adjustments may affect the Index Value and thus the amount payable on redemption of the Notes. As such, purchasers of the Notes are dependent upon the exercise of such discretion by the Calculation Agent.

Exchange rate risk

Since the base currency of the Reference Fund is U.S. Dollar, the Noteholder is subject to the USD/DKK exchange rate risk because the Notes are denominated in DKK. The DKK amount will be exchanged spot into USD in order to invest in the Reference Fund.

Risks relating to the MarketGrader 40 index

The investor's attention is drawn to the fact that one or more securities making up the MarketGrader 40 index may dominate its composition in terms of value. Consequently, such an investment should only be made as part of a diversified portfolio by investors with sufficient experience to be able to evaluate its merits and risks. In the event of one or more components of the index comprising a higher percentage than that permitted by the investment restrictions set out in Annex 4 of these Final Terms, full replication of the index will not be possible.

Risks relating to MarketGrader

MarketGrader ceasing to operate as a going concern

There can be no guarantee that MarketGrader will continue to operate as a going concern in the future. In the event that MarketGrader does not continue to operate as a going concern, publication of the MarketGrader indices would cease and the MarketGrader 40 would be suspended in accordance with paragraph 8 of the prospectus supplement of MarketGrader 40 dated 5 September 2007. It is expected that the Investment Adviser would seek to recommence the publication of the MarketGrader indices as soon as possible thereafter, which would permit the suspension of the MarketGrader 40 to end.

Miscalculation by the MarketGrader System

There can be no assurance that the method by which securities are selected and published by the MarketGrader System will occur without any processing errors. The past performance of the MarketGrader System does not suggest that there will be no such errors in the future. Where possible, all reasonable steps will be taken by the Investment Advisor to scrutinise regularly the selections made by the MarketGrader System in case of such errors but such scrutiny will not entirely mitigate this risk.

Competition from other exchange traded funds tracking the MarketGrader 40 index

There is no assurance that the MarketGrader 40 index may not be tracked by an exchange traded fund that is in direct competition with SPA ETF Plc. Although patent applications have been filed to prevent other exchange traded funds from tracking indices bearing the MarketGrader name, there is nothing to prevent the replication of the composition of the MarketGrader 40 index and publication of new indices under different names which could then be tracked by a new exchange traded fund. In the event of such a situation arising in respect of the

MarketGrader 40 index, MarketGrader 40 could experience a decrease in the market price of its shares as a result of a reduction in demand for the fund.

Risks Relating to Constant Proportion Portfolio Insurance ("CPPI")

The Notes are CPPI-instruments. See "Constant Proportion Portfolio Insurance" above. Set out below are certain risk factors associated with CPPI-instruments.

Principal Protection

The CPPI provides for protection of the principal only where the CPPI-instrument is held to its scheduled maturity. In the event that the instrument is sold or redeemed prior to its scheduled maturity, a noteholder may receive less than the protected level. In certain circumstances, a noteholder's entire investment may be allocated to a notional non-interest bearing bond resulting in the noteholder receiving only the protected level at maturity, with the consequence that the noteholder would not participate in any future appreciation of the risk asset.

Risk Asset

The CPPI-instrument is linked to the performance of a portfolio which comprises, amongst other things, Risk Assets. The Risk Assets are a notional investment in the shares of the underlying fund.

There will be no linear sensitivity between the value of the Risk Asset and the value of the CPPI-instrument. Therefore, Holders of the Notes will not receive the same return as they would if they invested directly in the Risk Asset.

Interest Rate Risk

The holder of a CPPI-instrument is exposed to indirect and/or direct interest rate risk. Since the underlying portfolio besides the Risk Asset can also comprise bonds, the holder of the CPPI-instrument can face direct interest rate risk. The indirect exposure arises from that the principal is only protected at the scheduled maturity and will fluctuate in the interim due to interest rate fluctuations.

PART A – CONTRACTUAL TERMS

1.	(i)	Issuer:	Municipality Finance Plc (Kuntarahoitus Oyj)
	(ii)	Guarantor:	The Municipal Guarantee Board (Kuntien takauskeskus)
2.	(i)	Series Number:	4/2008
	(ii)	Tranche Number:	1
3.	Specified Currency or Currencies:		Danish Kroner ("DKK")
4.	Aggregate Nominal Amount:		The Aggregate Nominal Amount of the Notes to be issued will be determined on the basis of the demand for the Notes received during the Subscription Period. The Aggregate Nominal Amount will not be subject to increases due to allocations otherwise than as a result of subscriptions received during the Subscription Period. The Aggregate Nominal Amount will be published on the OMX Nordic Exchange Copenhagen A/S via its Company News Service no later than 16 April 2008.
	(i)	Series:	DKK 75,000,000
	(ii)	Tranche:	DKK 75,000,000
5.	(i)	Issue Price:	103.50 per cent. of the Aggregate Nominal Amount
6.	Specified Denominations:		DKK 10,000
7.	(i)	Issue Date:	17 April 2008
	(ii)	Interest Commencement Date:	Not Applicable
8.	Maturity Date:		30 April 2014
9.	Interest Basis:		Not Interest Bearing
10.	Redemption/Payment Basis:		Fund-Linked Redemption as set out in Annex 1 and 2 attached hereto
11.	Change of Interest or Redemption/Payment Basis:		Not Applicable

12.	Put/Call Options:	Not Applicable
13.	(i) Status of the Notes:	Senior
	(ii) Status of the Guarantee:	Senior
	(iii) Date Board approval for issuance of Notes and Guarantee obtained:	Not Applicable
14.	Method of distribution:	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	**Fixed Rate Note Provisions**	Not Applicable
16.	**Floating Rate Note Provisions**	Not Applicable
17.	**Zero Coupon Note Provisions**	Not Applicable
18.	**Index-Linked Interest Note Provisions**	Not Applicable
19.	**Dual Currency Note Provision**	Not Applicable

PROVISIONS RELATING TO REDEMPTION

20.	**Call Option**	Not Applicable
21.	**Put Option**	Not Applicable

Final Redemption Amount of each Note	Provided the Notes are not previously redeemed early as outlined in paragraph 23 below or purchased and cancelled, the Final Redemption Amount for each Note of a Specified Denomination will be calculated in accordance with Annex 1 and 2 attached hereto.

In cases where the Final Redemption Amount is Index-Linked or other variable-linked:

(i)	Index/Formula/variable:	See Annex 1 and 2 attached hereto
(ii)	Calculation Agent responsible for calculating the Final Redemption Amount:	Nordea Bank Danmark A/S
(iii)	Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable:	See Annex 1 and 2 attached hereto
(iv)	Determination Date(s):	16 April 2014

(v)	Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	See Annex 1 and 2 attached hereto
(vi)	Payment Date:	30 April 2014
(vii)	Minimum Final Redemption Amount:	Not Applicable
(vii)	Maximum Final Redemption Amount:	Not Applicable

23. **Early Redemption Amount**

Early Redemption Amount(s) of each Note 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):	If the Notes are redeemed at the option of the Issuer for, as a result of or following: (a) taxation reasons (pursuant to Condition 7.2); or (b) Events of Default of the Notes (pursuant to Condition 8), the Early Redemption Amount payable in respect of each Note of a Specified Denomination will, in each case, equal the Calculation Agent's determination of the market value of each Note taking into account factors including but not limited to: interest rates, index levels, implied volatilities in the option markets and exchange rates, *less* the Associated Costs (as defined below). "**Associated Costs**" means an amount per Note of a Specified Denomination equal to the pro rata share (on the basis of the principal amount of the Note and the aggregate principal amount of all Notes which have not been redeemed or cancelled as at the Early Redemption Date) of the total amount of any and all costs associated or incurred by the Issuer or any company affiliated with it in connection with such early redemption, including, without limitation, any costs associated with unwinding the funding relating to the Notes and any costs associated with unwinding any hedge positions relating to the Notes, all as determined by the Calculation Agent in its sole discretion.

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24.	Form of Notes:	**Bearer Notes:** Bearer Notes, issued in the form of a Permanent Global Note. The Permanent Global Note will be issued on 14 February 2008 and the Notes will be registered as bearer Notes in uncertificated dematerialised book-entry form with the Værdipapircentralen A/S ("VP") on that day. Nordea Bank Danmark A/S is acting as Account Holding Bank (Da. "Kontoførende Institut") in relation to VP. The Permanent Global Note will be controlled by Nordea Bank Danmark A/S as Account Holding Institute for and on behalf of VP and the Noteholders in accordance with the provisions of the Danish Government Regulation No. 527 of 7 June 2006 on the registration of funds assets in a securities centre. The Permanent Global Note can only be held in favour of Nordea Bank Danmark A/S acting in its capacity as Account Holding Institute on behalf of the Noteholders registered in the VP system. For the avoidance of doubt, Notes registered in VP are negotiable Notes not subject to any restrictions on the free negotiability within the Kingdom of Denmark, under Danish Law.
25.	New Global Note:	No
26.	Financial Centre(s) or other special provisions relating to Payment Dates:	Copenhagen
27.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
28.	Details relating to Partly Paid Notes: amount of each	Not Applicable
29.	Details relating to Instalment Notes: amount of each	Not Applicable
30.	Redenomination, renominalisation and	Not Applicable

	reconventioning provisions:	
31.	Consolidation provisions:	Not Applicable
32.	Other terms or special conditions:	Settlement of purchase and sale transactions takes place on a "registration against payment" basis. Transfer of ownership to the Notes shall be made in accordance with the rules of VP. Registration of the Notes with VP is governed by Danish law, and any disputes arising out of or in connection with the registration of the Notes with VP shall be brought before the Copenhagen Maritime and Commercial Court. Payments shall be effected by the Substitute Fiscal and Danish Principal Paying Agent via VP. Notwithstanding Condition 15, any notice given to VP in accordance with Condition 15 shall be deemed to have been given to the Holders on the day on which that notice is given to VP. For further terms and special conditions please refer to Annexes hereto The Calculation Agent is Nordea Bank Danmark A/S or any duly appointed successor. The Calculation Agent shall act as an independent expert and not as an agent for the Issuer or the Holders of the Notes. All determinations and calculations shall be made by the Calculation Agent at its sole discretion, in good faith, acting reasonably and on an arms-length basis. All such calculations so made shall be final and binding (save in the case of manifest error) on the Issuer and the

			Noteholders. The Calculation Agent shall promptly notify the Fiscal Agent and the Issuer upon any such determination or calculation, which shall be final and conclusive and the Calculation Agent shall have no liability in relation to the determinations or calculations provided herein, except in the case of wilful default or bad faith.

DISTRIBUTION

33.	(i)	If syndicated, names and address 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:		Nordea Bank Danmark A/S Christiansbro, Strandgade 3 DK-1401 Copenhagen K Denmark
35.	TEFRA:		The C Rules are applicable
36.	Total commission and concession:		4.5 per cent. Of the Aggregate Nominal Amount
37.	Additional selling restrictions:		Not Applicable

ADMISSION TO TRADING

These Final Terms comprise the final terms required for the Notes described herein to be admitted to trading on the Copenhagen Stock Exchange pursuant to the €8,000,000,000 programme for the issuance of debt instruments of Municipality Finance Plc (Kuntarahoitus Oyj) guaranteed by The Municipal Guarantee Board (Kuntien takauskeskus).

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms. The historical data in Item 8 of part B has been extracted from Bloomberg. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by Bloomberg, no facts have been omitted which would render the reproduced inaccurate or misleading.

Signed on behalf of the Issuer:

By: ....

Duly authorised

MARJO TOMMINEN
Director

MATTI KANERVA
Legal Counsel

Signed on behalf of the Guarantor:

By: ....

Duly authorised

Heikki Niemeläinen
Managing Director

PART B – OTHER INFORMATION

1. LISTING

(i)	Listing:	OMX Nordic Exchange Copenhagen A/S
(ii)	Admission to trading:	Application has been made for the Notes to be admitted to trading and official listing on the OMX Nordic Exchange Copenhagen A/S with effect from on or around the Issue Date

2. **RATINGS**

Ratings:	Not Applicable

3. **NOTIFICATION**

The United Kingdom Financial Services Authority has provided the Danish Financial Supervisory Authority with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

4. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Nordea Bank Finland Plc will act as swap counterparty in relation to the Issuer.

Nordea Bank Danmark A/S will in its capacity as arranger of the Issue of Notes receive a fee of an amount equal to the 1.50 per cent per annum of the Risky and Non-Risky Exposure as defined under Capital Protection Fee in Annex 2.

A Distributor Fee of 1 per cent per Specified Denomination will be paid to the distributor at the time of issue.

The Reference Fund will pay the Investment Advisor a management fee of 0.85 per cent per annum on the asset under management. Note that all Reference Fund values are net of fees.

So far as the Issuer is aware, no further person involved in the offer of the Notes has an interest material to the offer

5. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

(i)	Reasons for the offer:	See "Use of Proceeds" wording in the Base Prospectus
(ii)	Estimated net proceeds:	100 per cent. of the Aggregate Nominal Amount
(iii)	Estimated total expenses:	DKK 70,000 of listing and clearing fees

6. YIELD

Indication of yield:	Not Applicable

7. HISTORIC INTEREST RATES – *floating rates only*

Not Applicable

8. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

Please refer to "Information regarding the yield of the MarketGrader 40 index – historic.

9. PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT – *dual currency notes only*

Not Applicable

10. *OPERATIONAL INFORMATION*

Intended to be held in a manner which would allow Eurosystem eligibility:	No
ISIN Code:	DK0030080536
Common Code:	Not Applicable
Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking Societe Anonyme and the relevant identification number(s):	Værdipapircentralen A/S ("VP") Business Registration Number: 21 59 93 36
Delivery:	Delivery against payment
Names and addresses of additional Paying Agent(s) (if any):	Nordea Bank Danmark A/S Christiansbro Strandgade 3 DK-1401 Copenhagen K Denmark

Annex 1

(this Annex forms part of the Final Terms to which it is attached)

1. Final Redemption Amount

Unless previously redeemed or purchased and cancelled, the Issuer shall redeem the Notes on the Maturity Date at an amount in DKK per Specified Denomination as determined by the Calculation Agent on the Final Valuation Date as an amount equal to the largest of:

(i) $Index_{Final}$; or

(ii) CP

where $Index_{Final}$ means the Index Value (IV) at Fund Exposure End, and CP means the Capital Protection (see Annex 2)

provided that if a Fund Disruption Event occurs or is subsisting on the Final Valuation Date then the Calculation Agent may postpone the Final Valuation Date to such later date on which it determines that no Fund Disruption Event is subsisting, the Final Valuation Date may however not be postponed for more than five Reference Fund Business Days as described under paragraph 2 (Fund Disruption Event) below.

2. Fund Disruption Event

If at any time on a Valuation Date or the Final Valuation Date there occurs or exists or is continuing a Fund Disruption Event, as determined by the Calculation Agent, then the relevant Valuation Date or the Final Valuation Date shall be postponed until the next following Reference Fund Business Day which is not a disrupted day and in respect of which the Index Value may be determined, provided that the relevant Valuation Date or the Final Valuation Date shall not be postponed for more than five Reference Fund Business Days, in such case such fifth Reference Fund Business Day shall be deemed to be the Valuation Date or the Final Valuation Date (as applicable) the Calculation Agent shall determine the Index Value or the Final Redemption Amount in its sole discretion (acting in good faith and in a commercially reasonable manner).

Annex 2

(this Annex forms part of the Final Terms to which it is attached)

ADDITIONAL TERMS AND CONDITIONS

Definitions

For the purposes of the Terms and Conditions of the Notes:

Bond Floor (BF)	Means the value of a hypothetical zero coupon bond with maturity at Fund Exposure End and a face value of CP.
Buffer	Means 3% of the NRE.
Capital Protection (CP)	The Capital Protection is calculated in accordance with the following formula: $CP = CP_{Initial} + 25\% \times MAX(0, Index_{Max} - CP_{Initial})$ Where; $CP_{Initial}$ means the Specified Denomination; and $Index_{Max}$ means the maximum Index Value observed at any Reference Fund Business Day subsequent to Fund Exposure Start.
Capital Protection Fee (CPF)	A Capital Protection Fee based on the Risky Exposure and the Non-Risky Exposure is extracted every Reference Fund Business Day by increasing the Leverage Amount with the equivalent amount $CPF = 1.50\% \times (RE + NRE) / 250$ The Capital Protection Fee is not charged after a Suspension Event.
Cushion (C)	Cushion = IV – BF
Distributor Fee (DF)	A fee paid to the distributor by the Dealer at Issue Date by selling the Notes at a discount $DF = 1\% \times$ Specified Denomination
Final Valuation Date	Means the Fund Exposure End subject to postponement in the occurrence of a Fund Disruption Event.
Fund Disruption Event	Means, in respect of any Shares, the occurrence or existence of a Fund Redemption Valuation Disruption, a Fund Valuation Reporting Disruption

	or a Fund Settlement Disruption, or any other event that would have the effect of preventing the determination of the Index Value or the Final Redemption Amount, in each case as determined by the Calculation Agent on the relevant Valuation Date.
Fund Exposure End	Means 16April 2014
Fund Exposure Start	Means 17 April 2008
Fund Redemption Valuation Disruption	Means any Share is not redeemed on the date on which they are due to be redeemed or ordinarily would be, redeemed.
Fund Settlement Disruption	Means Redemption Proceeds of any Share are not paid when due or when they would ordinarily be paid.
Fund Valuation Reporting Disruption	Means the official net asset value of any Share is not published in the manner in which it would ordinarily be published or on a date on which it would ordinarily be published.
Index	Means a hypothetical index (the "**Fictitious Index**") which, from time to time from and including the Fund Exposure Start up until the Fund Exposure End or until the occurrence of any Suspension Event consists of the Risky Exposure, the Non-Risky Exposure and the Leverage Amount. Upon the occurrence of a Suspension Event (such as described below) during the term of the Notes, the Fictitious Index shall (from and including the receipt of redemption proceeds after the closest relevant Reference Fund Business Day) instead be deemed to consist of the Zero Bond.
Index Value (IV)	Means the value of the Index which at Fund Exposure Start is equal to 98% × Specified Denomination minus the Trading Costs. The Index Value subsequent to Fund Exposure Start if a Suspension Event has not occurred is subject to the Target Risky Exposure and calculated daily on every Valuation Date in accordance with the following formula; $IV = RE + NRE - LA$ The Index Value subsequent to Fund Exposure Start after a Suspension Event has occurred is calculated

	in accordance with the following formula: $IV = ZB$ as determined by the Calculation Agent as of the Reference Fund Valuation Time on each Valuation Date. Since the currency of the Reference Fund is USD, and the Denomination is in DKK, the Index Value will be subject to fluctuations in the USD/DKK exchange rate.
Initial Risky Exposure	85% × Specified Denomination
Leverage Amount (LA)	At Fund Exposure Start the Leverage Amount is equal to 2% × Specified Denomination (being the Structuring Fee). After Fund Exposure Start, the Leverage Amount grows according to: $LA = LA_{LAST} \times (1 + R) + CPF$ Where, LA_{LAST} is the LA (including accrued interest) at the previous Reference Fund Business day. R is the interest on LA calculated as the 1 month USD-LIBOR-Reuters based on the actual number of calendar days in the respective Accrual Period divided by 360. The "**Accrual Period**" is the period between adjustments in the Leverage Amount in order to target the Target Risky Exposure. The Leverage Amount is adjusted accordingly in connection with purchases and sales executed in order to target the Target Risky Exposure. Every Reference Fund Business Day the Leverage Amount is increased by 0.00085% × Specified Denomination to cover external costs.
Maximum Targeted Risky Exposure (TE_{MAX})	200% × Specified Denomination
M_{MAX}	Means 5.0
M_{MIN}	Means 3.5
Non-Risky Exposure (NRE)	Means the value of the exposure to a deposit in an account in Nordea Bank AB which accrues by the day-to-day interest rate offered by Nordea Bank AB

	on a U.S. dollar deposit minus 0.30%. At Fund Exposure Start the Non-Risky Exposure is equal to the Specified Denomination minus the Initial Risky Exposure. The subsequent values of the Non-Risky Exposure up to Fund Exposure End are determined by the rate at which the deposit grows and subscriptions and redemption of Shares executed in order to target the Target Risky Exposure. When reallocations are made in order to target the Target Risky Exposure, the Non-Risky Exposure is implied by **NRE = max (0, IV – RE)** As long as the Leverage Amount is larger than 0, the Leverage Amount will be decreased (to zero) before the NRE is increased.
Observed Multiplier (M_O)	M_O = RE / Cushion
Redemption Proceeds	Means, with respect to any Shares, the cash proceeds that would be paid when such Shares are redeemed.
Reference Fund	Means MarketGrader 40 $ Class, a sub-fund of SPA ETF plc (ISIN IE00B1X4RN73) managed by London and Capital Asset Management Limited.
Reference Fund Business Day	Means any day defined as a "Trading Day in the prospectus supplement of the Reference Fund dated 5 September 2007 currently being any day on which the London Stock Exchange is open for business.
Reference Fund Valuation Time	Means close of business on the United States Chicago exchanges on each Reference Fund Business Day.
Risky Exposure (RE)	Means the value of the exposure to the Reference Fund from and including Fund Exposure Start. At Fund Exposure Start the Risky Exposure is equal to the Initial Risky Exposure. The subsequent values of the Risky Exposure up to Fund Exposure End are determined by the performance of the Fund and subscriptions or redemptions made in order to target the Target Risky Exposure. In relation to calculation of the Cushion and the Target Risky Exposure, the Risky Exposure is

	adjusted for any submitted subscription or redemption orders of Shares that are not yet executed. The RE will always be given net of the Trading Cost.
Share	Means a share or unit of the Reference Fund.
Structuring Fee (SF)	$SF = DF + 1\% \times$ Specified Denomination
Suspension Date	Means any day when a Suspension Event occurs.
Suspension Event	A Suspension Event shall be deemed to have occurred if on any Valuation Date after the Fund Exposure Start and prior to the Fund Exposure End, the Calculation Agent determines that the Index Value is equal to or lower than the sum of the Bond Floor and the Buffer as set out in the formula below: $IV \leq (BF + Buffer)$ (any such date, the Suspension Date), If Suspension Event has occurred the following will apply from and including the Suspension Date: (1) All Risky Exposure and Non-Risky Exposure shall be redeemed; and (2) the remaining net proceeds with deduction of the Buffer will be invested in the Zero Bond. Following a Suspension Event, and the steps (1) and (2) above having been taken, the IV shall equal the aggregate value of the Zero Bond.
Target Multiplier (M_T)	Means 4.0
Target Risky Exposure (TRE)	If the Observed Multiplier at any time following Fund Exposure Start is below M_{MIN} or above M_{MAX} subscriptions and/or redemptions will be performed at a best effort basis in order to target the Target Multiplier of 4 and thereby to reset the Risky Exposure to: $TRE = M_T \times C$ At no times will the Risky Exposure be increased above the Maximum Targeted Risky Exposure when subscribing for Reference Funds. For the avoidance of doubt, the Maximum Targeted Risky Exposure is only applicable to situations where new subscriptions will lead to an exceeded Maximum Targeted Risky Exposure. The exposure

	is hence allowed to grow above the Maximum Targeted Risky Exposure due to positive performance of the Reference Fund. Resetting the RE will inflict the Trading Costs. To reach a higher Risky Exposure than 100% of the Index Value, leverage is applied. When resetting the Risky Exposure, the Leverage Amount will be adjusted by an amount corresponding to the change in the Risky Exposure. Since the Leverage Amount can never become negative it can only be reduced to 0.
Trading Costs	Means a cost of 0.65% which will be withdrawn each time a subscription for, or redemption of Shares, is effected.
Valuation Date	Means each Reference Fund Business Day where also commercial banks are open for business in Sweden, subject to postponement on the occurrence of a Fund Disruption Event.
Zero Bond (ZB)	Means a hypothetical zero coupon bond with the following characteristics: an issue date of the Suspension Date; an issue price equal to the Bond Floor; and a maturity date of the Fund Exposure End.

Reallocation

If a material Reallocation Event occurs or has occurred on any Reference Fund Business Day after the Issue Date in relation to the Reference Fund the Calculation Agent may, subject to consent of the Issuer (such consent not to be unreasonably withheld) decide to either:

(i) make relevant adjustments to any variable, method of calculation, valuation or any other terms applicable to take account of such Reallocation Event, or

(ii) substitute or replace the relevant Reference Fund or part thereof. Such substitution or replacement shall occur within fourteen Reference Fund Business Days of the determination of the Calculation Agent that material Reallocation Event has occurred.

The "**Reallocation Event(s)**" are:

(i) The Calculation Agent, considers (after examining publicly available sources of information including but not limited to the Reference Fund's prospectus, Bloomberg, and Reuters) the strategy, guidelines, investment policies or objectives of the Reference Fund to have changed, or the Reference Fund's benchmark is altered by the Investment Adviser;

(ii) The activities of the Reference Fund or of the Investment Adviser are under investigation by any relevant governmental, legal, supervisory or regulatory body;

(iii) The Reference Fund or the Investment Adviser has its registration or approval cancelled or suspended;

(iv) There is a change in tax treatment which would adversely affect any direct or indirect holding of the Reference Fund's shares;

(v) The Reference Fund merges or is scheduled to merge with another fund if such merger causes or would cause the Reference Fund to infringe any regulatory requirement;

(vi) The insolvency, liquidation (whether voluntary or involuntary), bankruptcy of, or any analogous proceedings affecting the Reference Fund or the Investment Adviser;

(vii) The cost structure of a Reference Fund changes substantially in the discretion of the Calculation Agent;

(viii) A Fund Disruption Event lasts for more than five consecutive Reference Fund Business Days; and

(ix) Any event as a result of which the determination of the IV becomes, and is likely to remain for the foreseeable future, impossible or impracticable.

Annex 3

(this Annex forms part of the Final Terms to which it is attached)

Taxation

Noteholders
The following describes the taxation of Danish resident Noteholders investing in the Notes.

Noteholders subject to full tax liability include individuals resident in Denmark, foreign individuals who spend at least six month in Denmark and companies and other bodies incorporated in Denmark or whose management is based in Denmark.

Any interest and/or principal payable to the Noteholders will, under current law and practice, be paid without any withholding or deduction on account of any Danish taxes or duties.

Individuals
The Notes will be taxed as financial instruments because the redemption amount and interest amounts of the Notes are regulated proportionally to the development of a fund.

Individuals fully tax liable in Denmark are therefore taxable according to section 6 and 7 in the Danish Gains on Securities and Foreign Currency Act (Kursgevinstloven) regarding financial instruments.

Consequently, gains and losses on the Notes are calculated according to a mark-to-market principle and taxed on an accrual basis.

Gain and losses are taxed as capital income. However, the right to deduct losses are subject to limitation for individuals. The limitation implies that losses are only deductible if the losses do not exceed previous years' gains on financial contracts and instruments taxed as financial contracts. Additional losses may be deducted in the income year's net gain on financial contracts and gains on instruments taxed as financial contracts, or carried forward and deducted in future gains on financial instruments and instruments taxed as financial contracts in the following income years.

Interest income will be taxable as capital income.

Companies
The Notes will be taxed as financial instruments because the redemption amount and interest amounts of the Notes are regulated proportionally to the development of a fund.

Companies fully tax liable in Denmark are therefore taxable according to section 6 and 7 in the Danish Gains on Securities and Foreign Currency Act (Kursgevinstloven) regarding financial instruments.

Gains on the Notes are taxable at the normal corporate tax rate, and losses are deductible. Gains and losses are calculated according to a mark-to-market principle and taxed on an accrual basis.

Interest income will be taxable at the normal corporate tax rate.

Companies liable to PAL-tax
Danish pension funds and life insurance companies are among others liable to tax pursuant to the Danish Pension Yield Tax Act (PAL).

Gains and losses on the Notes are included in the taxable PAL-income. Gains and losses are calculated on a mark-to-market value and taxed on an accrual basis.

Interest income is included in the PAL-income and taxed on an accrual basis.

The description does not constitute tax advice, as it does not address all possible tax consequences relating to an investment in the Notes, but are intended only as a general guide to current Danish law and practice. Any person who is in doubt as to his or her taxation position or who requires more detailed information than that outlined above or who is resident for tax purposes in a jurisdiction other than or in addition to Denmark should consult his or her own professional adviser.

Annex 4

The MarketGrader 40 index rules

1. Construction

The MarketGrader 40 index is an equal weighted index composed of U.S. 40 traded shares, rebalanced every quarter and determined by the MarketGrader System. All components are selected exclusively on the basis of their final short term numerical grade as scored by the MarketGrader System.

The following criteria are used when making the quarterly selections:

(a) The 40 highest graded companies will be selected so long as all the other conditions below are met. If a company qualifies based on its final grade but violates any of the conditions below, the company with the next highest grade will be selected instead.

(b) All companies in the MarketGrader 40 index must have a market capitalization above USD $100 million on the day of selection.

(c) At least ten companies in the MarketGrader 40 index must have a market capitalization above USD $10 billion.

(d) No more than ten companies in the MarketGrader 40 index may have a market capitalization below USD $1 billion.

(e) Companies in the MarketGrader 40 index are classified based on the Global Industry Classification Standard ("GICS").

(f) No GICS economic sector may represent more than 30 per cent. (12 companies) of the MarketGrader 40 index.

(g) No GICS sub-industry may represent more than 15 per cent. (six companies) of the MarketGrader 40 index.

(h) No Real Estate Investment Trusts (GICS code 404020) or Utilities (GICS code 55) are eligible for MarketGrader 40 index selection.

(i) All MarketGrader 40 index selections must have at least met their analyst consensus earnings estimate during the earnings report period immediately preceding the index selection.

(j) All MarketGrader 40 index selections must have reported earnings no later than six months prior to the selection date.

(k) All companies in the MarketGrader 40 index must have a three month average daily trading dollar value of at least USD $2 million.

2. Rebalancing

The new MarketGrader 40 index components will be selected every quarter on the third Tuesday of each February, May, August and November at 5 p.m. Eastern Standard Time (the "selection date"). The index rebalance will be effective at the close of trading on the relevant exchange on the following Friday (the "rebalance effective date"). The new index selections will be published on the MarketGrader website (www.marketgrader.com) on the selection date at 5 p.m. Eastern Standard Time.

3. Maintenance & corporate actions

(a) Deletions

Any share deleted from the MarketGrader 40 index as a result of a corporate action such as a merger, acquisition, spin-off, delisting or bankruptcy is not replaced by any new share until the following rebalancing, except for the specific cases mentioned below. The total number of companies in the MarketGrader 40 index is reduced by one every time a company is deleted. The MarketGrader 40 index company component total is then restored during the following rebalancing. If, in the circumstances specifically mentioned below, the deletion of a company from the MarketGrader 40 index (wholly or partially) involves replacement of the shares with its equivalent cash value, the relevant cash value will form a component of the MarketGrader 40 index until the next rebalance effective date at which time it will be replaced as a MarketGrader 40 index component.

(b) Delisting

A share that is delisted from trading is removed from the MarketGrader 40 index at the closing price on its last trading day. If the delisted share does not trade on the relevant exchange between the delisting announcement and the next rebalance effective date, the share is deleted from the MarketGrader 40 index with a presumed market value of zero.

(c) Bankruptcy

Immediately upon a company's bankruptcy announcement, the company is removed from the MarketGrader 40 index at the closing price of the first trading day following the announcement. If the company's shares do not trade on the relevant exchange between the bankruptcy announcement and the next rebalance effective date, the share is deleted from the MarketGrader 40 index with a presumed market value of zero.

(d) Merger or acquisition

Cash transaction when the target company is a MarketGrader 40 index component:

Upon a merger/acquisition being declared wholly unconditional and having received all the necessary regulatory approvals, the target company will be deleted from the index with a presumed market value per share equal to the cash value of the consideration provided for the target share and a cash component will be introduced into the index in place of each target share with a value equal to that of the cash consideration and remain in the MarketGrader 40 index until the next rebalance effective date.

Share-for-share transaction when the target company is a MarketGrader 40 index component:

Upon a merger/acquisition being declared wholly unconditional and having received all the necessary regulatory approvals, the target company share will be replaced by the acquiring company share (as long as the acquiring company share is traded on a major U.S. exchange) on the company's last trading day at the acquisition price. If the acquiring company is not traded on a major U.S. exchange, the target company will be deleted from the MarketGrader 40 index with a presumed market value per unit equal to the target company's closing price on its last trading day (the "last traded price") and a cash component will be introduced into the MarketGrader 40 index in place of each target company share with a value equal to the last traded price and will remain in the MarketGrader 40 index until the next rebalance effective date.

Cash and share transaction when the target company is a MarketGrader 40 index component:

Upon a merger/acquisition being declared wholly unconditional and having received all the necessary regulatory approvals, the rules described above for cash transactions will apply with respect to that portion of the consideration provided for the target company that consists of cash and the rules described above for share-for-share transactions will apply with respect to that portion of the consideration provided for the target company that consists of acquiror shares.

(e) **Splits**

Splits are implemented immediately and become effective the next trading day. The number of different companies in the MarketGrader 40 index is not changed.

(f) **Dividends**

Shares: if a dividend is paid in the form of additional shares in the same company, the new shares are included in the MarketGrader 40 index. If the dividend is paid in the form of shares of another company, a cash component will be introduced into the MarketGrader 40 index equal to the cash value of the dividend and will remain in the MarketGrader 40 index until the next rebalance effective date.

Cash: the MarketGrader 40 index is a price index; therefore no adjustments are made for cash dividends.

(g) **Spin-Offs**

The closing price of the MarketGrader 40 index constituent is adjusted by the value of the spin-off on the day prior to the spin-off becoming effective. A cash component will be introduced into the MarketGrader 40 index equal to the cash value of the spun-off shares and will remain in the index until the next rebalance effective date.

(h) **Rights Offering**

The closing price of the MarketGrader 40 index constituent is adjusted to the market price of the constituent minus the price of the rights offering after the close of trading of the day prior to the rights offering becoming effective. A cash component equal to the value of the rights is added to the index.

4. Trading suspensions

Each rebalancing effective date must be a day on which (i) all shares that are comprised in the MarketGrader 40 index are scheduled to trade; and (ii) there is no kind of market disruption that affects trading in any one or more of the shares. If a scheduled rebalance effective date fails to fulfill the two conditions, it will be postponed to the first following day on which both conditions are fulfilled. MarketGrader will publish an announcement to this effect on its website.

5. Trading schedule & other changes

No modifications are made to the MarketGrader 40 index between rebalancing dates due to changes in market capitalizations or in the industry classification system.

6. Publication of Index information

(a) **Rebalancing**

Details of each MarketGrader 40 index rebalance will be published as described above on MarketGrader's website (www.marketgrader.com) Details of any postponement of the rebalance effective date will also be published on MarketGrader's website as soon as practicable after MarketGrader has established that the conditions exist for a postponement.

(b) **Maintenance and Corporate Actions**

Details of any adjustments to the MarketGrader 40 index will be published on MarketGrader's website not later than one exchange trading day following the day upon which the relevant event or action that gives rise to the adjustment is publicly announced.

7. Definitions and interpretation

The following expressions will have the meanings given to them below where used in these MarketGrader 40 index rules:

"Cash and share transaction" means a merger or acquisition (of whatever legal form) under which the consideration provided for the target shares consists of both: (i) cash and/or securities (other than shares); and (ii) shares of a different issuer.

"Cash transaction" means a merger or acquisition (of whatever legal form) under which the consideration provided for the target shares consists of cash and/or securities (other than shares).

"Market disruption" means, in respect of a particular share, the occurrence of any of the following events: (i) a trading disruption; (ii) a material exchange disruption occurring at any time during the last hour of trading; or (iii) the closure of the relevant exchange prior to its scheduled closing time (unless the earlier closing time is announced at least one hour prior to the actual closing time).

"Share-for-share transaction" means a merger or acquisition (of whatever legal form) under which the consideration provided for the target shares consists of share of a different issuer.