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KLA/EAU

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International Swaps and Derivatives Association Inc.

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THE ISDA MASTER AGREEMENTS / STRATEGIC DOCUMENTATION REVIEW QUERIES

Dear Sirs,

1. Introduction

We provided the International Swaps and Derivatives Association Inc. ("ISDA") on March 10, 1998 with an opinion as supplemented by the update opinions dated November 25, 1998 and November 15, 1999 (the aforesaid opinions together referred to in this letter as the "ISDA Opinion") on the enforceability under the laws of the Republic of Finland ("Finnish law") of close-out netting of derivative transactions entered into under the 1987 and 1992 ISDA Master Agreements.

As requested, we have addressed the issues raised by ISDA in your letter of 21 November 2000 (the "SDR Queries") on the basis of the assumptions we have been asked to make. Furthermore, we assume, for purposes of our responses to the SDR Queries, the enforceability of the means by which the amendments are effected and focus on the substantive changes to the relevant provisions on the 1992 ISDA Master Agreement. Unless otherwise provided, for the purposes of this opinion we also make the assumptions and reservations as set forth in the ISDA Opinion.

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Terms defined in the ISDA Master Agreements and in the ISDA Opinion have the same meaning in this opinion unless the terms have been separately defined hereunder.

2. Opinion

A. Changes to Sections 5 and 6 of the ISDA Master Agreement

You have attached to the SDR Queries as Appendix A eight annexes to a proposed protocol similar to the EMU Protocol introduced by ISDA in 1998 (the “**Protocol**”). Annexes 1 through 7 amend portions of Section 5 (and related provisions) of the 1992 ISDA Master Agreement and annex 8 amends portions of Section 6 (and related provisions) of the 1992 ISDA Master Agreement. For purpose of our response, we assume that the parties have agreed to the provisions of each of the eight annexes through the Protocol.

We confirm that the inclusion of such provisions would not affect the ISDA Opinion.

B. Force Majeure

You have attached to the SDR Queries as Appendix B a draft of an Annex to the Protocol (the “**Force Majeure Annex**”) setting forth an approach to Force Majeure Events (as defined) and modifying in certain respects provisions of the 1992 ISDA Master Agreement to address circumstances of Illegality (as defined in the 1992 ISDA Master Agreement). For purpose of our response, we assume that the parties have agreed to the Force Majeure Annex through the Protocol and furthermore we assume the enforceability of the Force Majeure Annex under the governing laws of the 1992 ISDA Master Agreement. While some of the changes to the 1992 Master Agreement effected by the Force Majeure Annex relate to Sections 5 and 6 of the 1992 ISDA Master Agreement, we assume that none of the changes relate to the focus of our ISDA Opinion, namely close-out netting in the event of insolvency.

We confirm that the inclusion of the Force Majeure Annex would not affect the ISDA Opinion.

C. Use of the Cross-Product Master Agreement and Bridges

C.1 *The Cross-Product Master Agreement (the "CPMA")*

For purpose of our response, we assume that the CPMA is a cross-product "master master" intended as an umbrella document covering multiple master agreements such as ISDA Master Agreements, and which permits a party under the CPMA to close out and net all settlement amounts determined under the close out provisions of the underlying master agreements. You have attached to the SDR Queries as Appendix C a description of three amendments to the CPMA that, if an ISDA Master Agreement is considered to be an underlying master agreement under the CPMA, would affect that ISDA Master Agreement. Furthermore, we assume that, if the CPMA is executed by the parties to an ISDA Master Agreement, the ISDA Master Agreement is a Principal Agreement under the CPMA, and the ISDA Master Agreement would be amended in certain limited respects effective upon the exercise of the non-defaulting party's rights under the CPMA.

We confirm that there is nothing in the ISDA Opinion that would be changed by the aforesaid three amendments to be made to the CPMA (as described in Appendix C) assuming that a party had exercised the CPMA covering the ISDA Master Agreement as a Principal Agreement.

C.2 *The Cross-Product Bridging Annex*

The Cross-Product Bridging Annex attached to the SDR Queries as Appendix D-1 would be an annex to the Protocol. For purpose of our response, we assume that the ISDA Cross-Product Bridging Annex would allow the close-out amounts under various industry master agreements to be taken into account in Section 6 (e) of the ISDA Master Agreement as Unpaid Amounts. Attached as Appendix D-2 is a list of principal master agreements and a brief description of the agreement, its sponsoring institution(s) and the transactions typically covered by that agreement. These are the agreements that the parties are likely to refer to in the ISDA Cross-Product Bridging Annex.

We confirm subject to the reservations below that there is nothing in the ISDA Opinion, that would be changed by the inclusions of any of the master agreements set forth in Appendix D-2 under the ISDA Cross-Product Bridging Annex.

All the Bridged Transactions covered by the master agreements set forth in Appendix D-2 should qualify the Financial Transactions (as defined in Section 2.4 of the ISDA Opinion) in order for them to fall within the Finnish Netting Act. Accordingly, *inter alia*, physical trade in commodity would fall out of the scope of the Finnish Netting Act. In our opinion, if any of the Bridged Transactions would not qualify the Financial Transactions, the termination and close-out netting provisions of the ISDA Master Agreement would be enforceable with respect to the Financial Transactions under the ISDA Master Agreement.

D. Additional Types of Transactions under the ISDA Master Agreement

The ISDA Opinion refers to Annex A that listed and briefly described in general terms the types of transactions that could be governed by an ISDA Master Agreement which list was attached as Appendix E-1 to the SDR Queries. You have in the SDR Queries included additional types of transactions which are set forth in Appendix E-2 to the list to be considered under the ISDA Opinion.

We confirm subject to the reservations below that the inclusion of any of the types of transactions described in Appendix E-2 would not affect the ISDA Opinion.

It seems to us that all the transactions as described in Appendix E-2 would qualify the Financial Transactions (as defined in Section 2.4 of the ISDA Opinion) and accordingly fall within the Finnish Netting Act, with the exception of Physical Commodity Transaction. Physical Commodity Transaction will not fall within the Finnish Netting Act because the Financial Transactions do not specify physical trade in commodity. Should this be the case, in our opinion, the Finnish Netting Act would remain operative for the Financial Transactions (as described in Appendices E-1 and E-2) under the ISDA Master Agreement.

This opinion is given for the sole benefit of ISDA, and may not be relied upon by any other person, unless we otherwise specifically agree with ISDA and that person in writing.

Yours faithfully

HANNES SNELLMAN ATTORNEYS AT LAW LTD.



Kari Lautjärvi