



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, DC 20551

May 3, 2022

Andrea Tokheim, Esq.
Sullivan & Cromwell LLP
1700 New York Avenue N.W.
Suite 700
Washington, DC 20006

Dear Ms. Tokheim:

This is in reference to your letter dated July 26, 2021, on behalf of Nordea Bank Abp (“Nordea”), Helsinki, Finland, requesting complete relief from two sets of commitments that were made to the Board of Governors of the Federal Reserve System (the “Board”) in connection with the establishment of Nordea’s New York branch pursuant to section 7(d) of the International Banking Act (the “Branch Application”).

The commitments include the following: (i) commitments made in connection with the application by Nordea’s former subsidiary, Nordea Bank AB (publ) (“NBAB”), Stockholm, Sweden, to retain a New York branch following a proposed internal reorganization (“Commitments I”); and (ii) commitments made in connection with a request by NBAB pursuant to section 211.24(a)(6) of Regulation K that the Board permit the internal reorganization to proceed before approval of the Branch Application (“Commitments II,” and together with Commitments I, the “Branch Commitments”).¹

In Commitments I, NBAB agreed that it would (1) provide the Board information regarding a controlling shareholder, Sampo Oyj, Helsinki, Finland (“Sampo”), to allow the Board to assess whether NBAB and Sampo would meet the standard of “qualified banking organization” under the International Banking Act and Regulation K and whether Sampo engages in any activities or investments in the United States that are not

¹ See Letter from Kathryn E. Collard, Esq., to Brian S. Steffey, Bank Applications Officer Federal Reserve Bank of New York, dated February 9, 2017; Letter from Andrea R. Tokheim, Esq., to Brian S. Steffey, Bank Applications Officer Federal Reserve Bank of New York, dated November 14, 2016.

permissible under the Board's regulations, and (2) take such action and provide such information as the Board requests should Sampo no longer qualify as a foreign banking organization or engage in activities or make investments in the United States that are not permissible under the Board's regulations. In Commitments II, NBAB agreed that it would (1) not engage in new or expanded nonbanking activities in the United States without the consent of Board staff; (2) provide certain additional information regarding Sampo; (3) not engage in any transaction with Sampo through the New York branch, and engage in transactions with Sampo outside the United States on an arms-length basis only; and (4) notify the Board if Sampo's ownership increased above 21.3%.

In your request, you represent that Sampo has reduced its equity interest in Nordea and does not trigger a presumption of control under the Board's rule governing control and divestiture proceedings under the Bank Holding Company Act.² You further represent that because the Branch Application has been approved, to the extent that Commitments II relates to issues other than Sampo, those issues are now moot.

Based on all the facts of record, the Director of the Division of Supervision and Regulation, acting pursuant to authority delegated by the Board,³ in consultation with the General Counsel, has granted Nordea's request for complete relief from the Branch Commitments. This action is based on the representations and commitments provided in your communications and correspondence related to your request, including the representations discussed above. Any change in the facts presented could result in a different conclusion and should be reported to Board staff immediately. This action should not be construed as granting relief from any other conditions or commitments to which Nordea may be subject.

If you have any questions regarding this matter, please contact Laura Bain of the Board's Legal Division at 202-736-5546.

Sincerely,

Margaret McCloskey Shanks (signed)

Margaret McCloskey Shanks
Deputy Secretary of the Board

cc: Federal Reserve Bank of New York

² See 12 CFR 225.31–34.

³ 12 CFR 265.7(a)(2).