

# Automatic Collateralisation Agreement

Between

Danmarks Nationalbank  
Langelinie Allé 47  
2100 Copenhagen Ø  
CD ident. 01007, subsequently referred to as Danmarks Nationalbank,

and

Name: \_\_\_\_\_

Address: \_\_\_\_\_

CD ident.: \_\_\_\_\_ subsequently referred to as the Borrower,

an automatic collateralisation agreement has been entered into on the following terms.

## 1. The Automatic Collateralisation Agreement

This Automatic Collateralisation Agreement is entered into pursuant to Section 181(3) and Section 182(2) of the Danish Capital Markets Act.

By this Automatic Collateralisation Agreement, Danmarks Nationalbank permits the Borrower, against collateral in the Borrower's securities, to raise loans from Danmarks Nationalbank which must be covered by the end of Danmarks Nationalbank's monetary policy day and which are made available via the Borrower's current account.

The Automatic Collateralisation Agreement also provides access, against collateral in the Borrower's securities, for Danmarks Nationalbank to submit and regularly increase a credit line for the Express Clearing to Finance Denmark, stating the Borrower's maximum overdraft facility for the Express Clearing.

The securities and related yields belonging to the Borrower at any time, registered to the accounts stated in Section 2 below, including the securities and related yields registered to these accounts in connection with the individual settlements, may serve as collateral to Danmarks Nationalbank for any loan and any credit line for the Express Clearing submitted to Finance Denmark under the Automatic Collateralisation Agreement.

Both Danmarks Nationalbank and the Borrower notify VP Securities A/S electronically of the establishment of the Automatic Collateralisation Agreement. The Automatic Collateralisation Agreement is not deemed to have entered into force until both notifications have been registered by VP Securities A/S.

Use of automatic collateralisation entails that VP Securities A/S registers collateral rights in the relevant securities, cf. below, and the collateral value of the collateral registered under the automatic collateralisation arrangement is then included in the Borrower's collateral list, cf. "Terms and Conditions for Pledging of Collateral for Credit Facilities in Danish Kroner at Danmarks Nationalbank", Section 15. Thus, assets registered as collateral under the automatic collateralisation arrangement are included in the total collateral value of the account holder's collateral for intraday loans and credit line for the Express Clearing.

## 2. The Borrower's securities under the Automatic Collateralisation Agreement

On its establishment, the Automatic Collateralisation Agreement comprises the following accounts at VP Securities A/S:

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The account holder may request deregistration and registration of accounts under the Automatic Collateralisation Agreement by electronic notification to VP Securities A/S. Deregistration and registration shall not take effect until VP Securities A/S, as the agent of Danmarks Nationalbank, has approved the Borrower's request and registered the deregistration or registration, cf. Sections 181 and 182 of the Danish Capital Markets Act. Such changes are part of the Automatic Collateralisation Agreement and thus subject to the terms and conditions of the Agreement after registration to VP Securities A/S.

## 3. Securities that are eligible as collateral at Danmarks Nationalbank under the Automatic Collateralisation Agreement

Danmarks Nationalbank notifies VP Securities A/S of the securities that are eligible as collateral for intraday loans and the credit line for the Express Clearing under the Automatic Collateralisation Agreement and of the collateral value of each security. Danmarks Nationalbank may change these securities and values at any time.

The securities that are eligible as collateral at Danmarks Nationalbank at any time under the Automatic Collateralisation Agreement appear from Kronos2.

## 4. Notification of collateral rights under the Automatic Collateralisation Agreement

Danmarks Nationalbank may at any time exercise the collateral rights under the Automatic Collateralisation Agreement by notification of the collateral rights in the Borrower's securities under the

Automatic Collateralisation Agreement, cf. Section 182(2) of the Danish Capital Markets Act. Notification can be made by VP Securities A/S on behalf of Danmarks Nationalbank.

Moreover, during the period from 7:00 am to 3:55 pm, the Borrower can request VP Securities A/S to register collateral rights in the Borrower's securities under the Automatic Collateralisation Agreement.

## 5. Enforcement of collateral rights under the Automatic Collateralisation Agreement

If Danmarks Nationalbank wishes to enforce its collateral rights, cf. Section 182(4) of the Danish Capital Markets Act, Danmarks Nationalbank requests VP Securities A/S to transfer the Borrower's securities under the Automatic Collateralisation Agreement against which collateral rights have been notified pursuant to Section 4 above, to an account held by Danmarks Nationalbank. Where it is not possible to cover the automatic collateralisation arrangement via Kronos2 and reduce the Borrower's collateral list by the collateral value of securities registered as collateral under the automatic collateralisation arrangement, Danmarks Nationalbank is also entitled to enforce its collateral rights.

## 6. Realisation of collateral under the Automatic Collateralisation Agreement

Under Section 183(1) of the Danish Capital Markets Act, immediately after the expiry of the deadline set by the Minister for Industry, Business and Financial Affairs at any time, Danmarks Nationalbank is entitled to realise without notice the securities that have, pursuant to Section 5 above, been transferred to an account held by Danmarks Nationalbank, if the total collateral value of the Borrower's other collateral in the Borrower's collateral list for intraday loans and the credit line for the Express Clearing, cf. "Terms and Conditions for Pledging of Collateral for Credit Facilities in Danish Kroner at Danmarks Nationalbank", Section 15, are insufficient to cover the Borrower's outstanding intraday loans and outstanding credit line for the Express Clearing. Section 538 a of the Danish Administration of Justice Act shall not apply. Danmarks Nationalbank shall decide when and how realisation is to take place after the expiry of the deadline set by the Minister for Industry, Business and Financial Affairs, including whether Danmarks Nationalbank acquires ownership of the assets pledged.

## 7. Termination of the Automatic Collateralisation Agreement

Danmarks Nationalbank is entitled at any time and without notice to terminate the Automatic Collateralisation Agreement for future raising of loans and submission of credit lines for the Express Clearing.

The Borrower is entitled to terminate the Automatic Collateralisation Agreement, provided that the Borrower substitutes the securities registered as collateral under the automatic collateralisation

arrangement by other eligible collateral, cf. "Terms and Conditions for Pledging of Collateral for Credit Facilities in Danish Kroner at Danmarks Nationalbank", Section 15, so that the total collateral value of collateral for intraday loans and the credit line for the Express Clearing in the Borrower's collateral list as a minimum corresponds to the Borrower's outstanding intraday loans and the credit line for the Express Clearing.

## 8. Governing law and legal venue

The Automatic Collateralisation Agreement shall be governed by Danish law.

Any disputes shall be settled before the legal venue of Danmarks Nationalbank.

This Automatic Collateralisation Agreement shall replace any previous Automatic Collateralisation Agreement entered into between Danmarks Nationalbank and the Borrower.

\_\_\_\_\_, [date] \_\_\_\_\_

Copenhagen, [date] \_\_\_\_\_

For the Borrower:

For Danmarks Nationalbank:

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Signatures of authorised signatories

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Binding signatures