

# GENERAL TERMS FOR THE RIKSBANK'S PROGRAMME FOR SEK CREDIT WITH COLLATERAL IN COMMERCIAL PAPER (CREDIT TERMS FOR CP-CREDIT)

■ These terms apply as of 29 October 2008.

## 1 Introductory terms

- 1.1 In pursuance of its monetary policy the Riksbank can, in accordance with Ch. 6 §5 in the Sveriges Riksbank Act (1988:1385), grant loans against adequate collateral.
- 1.2 The Riksbank can conclude agreements for SEK loans with commercial paper as collateral in accordance with these general terms for SEK credit against collateral in commercial paper (Credit Terms for CP Credit).
- 1.3 Words or phrases beginning with a capital letter shall have the sense stated in the Specific terms for the Riksbank's SEK credit against collateral in commercial paper (Specific Terms) which apply for the Bid Submission Date in question. Specific Terms are announced by publication on the Riksbank's website, normally two bank days before the relevant Bid Submission Date.
- 1.4 Only those who are a Monetary Policy Counterparty in accordance with the Terms and Conditions for RIX and monetary policy instruments have a right to bid for SEK credit in accordance with these Credit Terms for CP Credit.

## 2 The loans

- 2.1 Loans in accordance with these Credit Terms for CP Credit are decided after an auction on the Bid Submission Date.

2.2 Interest on the loans is charged on an annual basis in accordance with a fixed interest rate. The interest rate cannot be less than the rate specified by the Riksbank in Saxess/OMFIE page RIX at the start of the Bid Submission period and which is equivalent to the current repo rate plus the Interest Supplement.

### 3 Auction procedure

- 3.1 Before participating in the auction procedure for the first time a bidder must have registered participation with the Riksbank in accordance with the template presented in [Annex 1](#). Registration signifies that the bidder accepts and confirms being bound by these Credit Terms for CP Credit for the auction procedures in which the bidder chooses to participate. To be valid the registration must contain the information that is indicated by the template and carry an authorised signature. Bidding in subsequent procedures signifies that the bidder confirms being bound by the Credit Terms for CP Credit as well as by the Specific Terms for the auction procedure in question.
- 3.2 Bids shall include information about the volume (SEK) and interest rate. Volume shall be stated as Minimum Bid Amount or whole multiples thereof and the total volume bid may not exceed the Maximum Acceptable Volume of Bids. A single institution may not submit more than the Maximum Number of Bids. The bid interest rate may be expressed with a maximum of three decimals. The lowest interest rate bid that may be submitted is the rate the Riksbank determined at the start of the Bid Submission Period and which is equivalent to the current repo rate plus the Interest Supplement.
- 3.3 Bids are submitted by telephone +46 (0)8 – 696 69 70 and are to be confirmed by fax +46 (0)8 – 787 01 69 during the Bid Submission Period. A bid submitted by telephone is binding on the bidder. This means that the bidder is bound by a submitted bid irrespective of by whom at the bidder the bid was submitted. It also means that the bidder may not recall or alter a submitted bid after the Bid Submission Period has ended. The bidder is liable for payment of interest in accordance with the tender even if repayment is made in advance and even if payment from the Riksbank does not occur because the Riksbank has not received adequate collateral.
- 3.4 The Riksbank has the right to reject bids that contain conditions other than those set out in Credit Terms for CP Credit and in Specific Terms. The Riksbank also has the right to reject a bid if

the Riksbank has not received confirmation via fax not later than 15 minutes after the end of the Bid Submission Period, or if the fax message and the telephone bid are inconsistent.

- 3.5 The Riksbank rejects bids that exceed the Maximum Acceptable Volume of Bids or are below the Minimum Bid Amount or the minimum bid rate.
- 3.6
- (i) When the Bid Submission Period has ended the bids are recorded in descending order of the interest rates that have been tendered.
  - (ii) The bid with the highest interest rate shall be accepted first, followed by the bid with the next highest interest rate and so on until the offered amount is exhausted.
  - (iii) If the bids with the lowest accepted interest rate add up to more than the amount that remains to be offered, the amount shall be divided proportionally between these bids in accordance with the ratio between the amount that remains to be offered and the total that has been bid at the lowest accepted interest rate.
  - (iv) The allocations shall be rounded to the nearest million kronor.
  - (v) Allocations are announced at the Allocation Time in Saxess/OMFIE page RIKY.
- 3.7 The Riksbank reserves the right to provide an amount that differs from the Announced Amount if the Riksbank considers that special reasons exist. A bidder is bound to accept an allocated volume even if this is smaller than the volume of the bid.
- 4 Interest rate**
- 4.1 The lowest accepted interest rate is applied to all bidders that have obtained an allocation in the auction.
- 4.2 The applicable interest rate convention is the actual number of days divided by 360. Interest is calculated from the payment date to the Repayment Date.
- 4.3 Interest shall be paid on the Repayment Date.

## 5 **Payment date**

The amount of the loan is paid out on the Payment Date to the bidder's account in RIX with clearing code DAG.

## 6 **Collateral and final settlement**

6.1 Payment of credit in accordance with these Credit Terms for CP Credit is conditioned on the Riksbank having received a grant of pledge signed by an authorised representative in accordance with the template in Annex 2 to these Credit Terms for CP Credit.

6.2 Loans in accordance with these Credit Terms for CP Credit are paid out only in so far as collateral that is eligible and adequate in accordance with the Riksbank's requirements in Annex A (Terms for collateral in the Riksbank's programme for SEK credit with collateral in commercial paper) has been registered in a securities account that is pledged to the Riksbank not later than 11.00 hours (CET/CEST) on the Payment Date. The bidder is bound to pay interest even if payment has not been made in pursuance of this item 6.2.

6.3 Valuation of collateral and haircut comply with what is stipulated in Annex A (Terms for collateral in the Riksbank's programme for SEK credit with collateral in commercial paper).

## 7 **Repayment**

7.1 The amount of the loan together with interest shall be paid into the Riksbank's account in RIX with clearing code ADG no later than the Repayment Date.

7.2 In the event of delayed repayment the bidder is bound to pay penal interest to the Riksbank in accordance with the Interest Act.

## 8 **Breach of agreement**

If the Riksbank considers that the bidder is to an essential extent

in breach of some condition in these Credit Terms for CP Credit or in Specific Terms the Riksbank has the right to terminate outstanding loans for immediate repayment, exclude the bidder from future tendering procedures and require replacement of collateral or some combination of these measures.

## 9 Notification

All messages between the parties concerning what is regulated in Credit Terms for CP Credit shall be sent by post, fax, SWIFT or email to the following addresses. A message shall be deemed to have arrived when has reached the recipient.

The Riksbank:

Sveriges Riksbank  
Brunkebergstorg 11  
SE-103 37 Stockholm  
Sweden

SWIFT: RIKSSESS  
Fax: +46 (0)8 24 77 11  
Email: [collateral@riksbank.se](mailto:collateral@riksbank.se)

(Reporting commercial paper  
programmes and commercial  
paper as collateral)

Email: [backofficegruppen@riksbank.se](mailto:backofficegruppen@riksbank.se) (other matters)

The bidder:

The addresses the bidder has reported in the bidder's registration in accordance with item 3.1

Bids in accordance with these Credit Terms for CP Credit can be submitted only in accordance with what is stipulated in item 3.3 above.

## 10 Applicable law and settlement of disputes

These Credit Terms for CP Credit shall be interpreted and implemented in accordance with Swedish law. Action against the Riksbank on account of these Credit Terms for CP Credit may be entered only in Stockholms Tingsrätt. This restriction on the right of a counterparty to bring an action does not apply to the Riksbank.

## 11 Amendments



■ The Riksbank reserves the right to make amendments to Credit Terms for CP Credit. Any such amendments will be communicated to the counterparties not later than 15.00 hours on the day before the relevant Bid Submission Date.

**Sveriges Riksbank**