



EUROPEAN CENTRAL BANK

EUROSYSTEM

EURO-DANISH KRONE SWAP AGREEMENT

This Euro-Danish krone Swap Agreement (the “Agreement”) is between the European Central Bank (the “ECB”) and Danmarks Nationalbank (each a “Party”, and together the “Parties”).

WHEREAS, the Parties wish to establish a standing arrangement to purchase and subsequently repurchase euro (EUR) and Danish kroner (DKK) from each other to facilitate the functioning of financial markets and provide liquidity in EUR in case of adverse developments in the markets;

WHEREAS, Article 105(5) of the Treaty establishing the European Community provides that the European System of Central Banks contributes to the stability of the financial system, and Article 23 of the Statute of the European System of Central Banks and of the European Central Bank provides that the ECB may establish relations with central banks in other countries and conduct all types of banking transactions in relations with third countries;

WHEREAS, Article 1 of the Law on Danmarks Nationalbank provides amongst others that Danmarks Nationalbank is responsible for maintaining a safe and secure currency system in Denmark;

NOW THEREFORE, the Parties have agreed as follows:

Article 1

Standing Arrangement by the Parties for the Purchase and Repurchase of Currency

1. From time to time the ECB may agree to sell EUR to Danmarks Nationalbank and to purchase DKK from Danmarks Nationalbank by means of a spot transaction, with a simultaneous agreement by the ECB to sell DKK to Danmarks Nationalbank and to purchase EUR from Danmarks Nationalbank on the maturity date of such swap transaction (the “Maturity Date”) by means of a forward transaction. The purchases and subsequent repurchases under this Agreement shall be referred to collectively as “Swap Transactions” and individually as a “Swap Transaction”.

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2. The Parties agree, at such times as they may mutually agree from time to time, to enter into Swap Transactions up to an aggregate outstanding value of a maximum of EUR 12 billion at any given time.
3. All Swap Transactions shall be subject to the prior approval of the ECB and Danmarks Nationalbank.
4. Danmarks Nationalbank may enter into Swap Transactions solely for the purpose of providing liquidity in EUR to its counterparties in case of adverse developments in the markets.
5. The Parties agree to coordinate the dissemination of any information to the general public regarding this Agreement or any Swap Transactions under this Agreement, subject to applicable legal requirements.

Article 2

Establishment of an ECB Account on the books of Danmarks Nationalbank

1. For the purposes of implementing this Agreement, Danmarks Nationalbank shall use Account No [REDACTED] in DKK in the name of the ECB (the "ECB Account").
2. The ECB Account shall be used in connection with the implementation of this Agreement and in the context of operations under the ERM II Agreement. No interest shall be paid by Danmarks Nationalbank to the ECB on the amount held on the ECB Account.
3. Danmarks Nationalbank shall provide the ECB with a statement of account for every movement on the ECB Account, and also on an annual basis.
4. Except as otherwise agreed in writing by the Parties, Danmarks Nationalbank shall not charge the ECB for any costs incurred by Danmarks Nationalbank in connection with the operation of the ECB Account.

Article 3

Determination of Exchange Rate and Interest Rates

1. The EUR/DKK exchange rate (the "Exchange Rate") that shall apply to (i) each purchase of EUR and DKK under this Agreement and (ii) each repurchase of EUR and DKK under this Agreement shall be based on an exchange rate mutually agreed upon by the Parties. The same exchange rate shall be applied on both the spot and forward legs of each Swap Transaction.
2. Interest payable by Danmarks Nationalbank on the EUR part of the spot leg of each Swap Transaction (the "Interest Rate") shall, unless otherwise agreed by the Parties at the time they enter into each Swap Transaction, correspond to [REDACTED].

[REDACTED]. Interest payable by Danmarks Nationalbank on the EUR part of the spot leg of each Swap Transaction shall be calculated on a 360-day basis from, and including, the Value Date (as referred to in Article 4(3) of this Agreement) to, but excluding, the Maturity Date.

3. No interest shall be payable by the ECB on the DKK part of the spot leg of any Swap Transaction.

Article 4

Transaction Procedures

1. Danmarks Nationalbank shall endeavour to give the ECB as much advance notice as is practicable of its intention to initiate a Swap Transaction and of the reasons for initiating it. As far as possible, Danmarks Nationalbank shall endeavour not to request the ECB to initiate a Swap Transaction with a Value Date occurring during the time interval (i) from and including the date of the allotment of the Eurosystem's last main refinancing operation of any given maintenance period for the application of the ECB's minimum reserve requirements; or (ii) to and including the last date of such maintenance period.
2. If the ECB agrees to initiate a Swap Transaction, it shall respond to any request made by Danmarks Nationalbank to initiate a Swap Transaction at the latest on the business day following the receipt of such request. The day on which the ECB enters into a Swap Transaction with Danmarks Nationalbank shall be called a "Swap Day".
3. At such time as the ECB agrees to initiate a Swap Transaction, the Parties shall confer by telephone and agree on the following terms for the relevant Swap Transaction: (i) Amount; (ii) Value Date, which shall, without prejudice to Article 4(1) above and unless otherwise agreed by the Parties at the time they enter into each Swap Transaction, be to the extent possible on the Swap Day or the latest on the following business day; (iii) Exchange Rate; (iv) Maturity Date, which shall, unless otherwise agreed by the Parties at the time they enter into each Swap Transaction, [REDACTED] up to a maximum maturity of six months; and (v) applicable Interest Rate. Once the Parties have agreed on these terms on the telephone, the Parties shall confirm such oral agreement by means of a SWIFT message.
4. The Parties agree that each may electronically record all telephone conversations between them concerning Swap Transactions entered into under this Agreement.
5. On the Value Date, the EUR amount shall be credited to Danmarks Nationalbank's TARGET2 account in TARGET2-Danmark (BIC: DKNBDK K K Account No [REDACTED] (the "Danmarks Nationalbank Account"), and the DKK amount shall be credited to the ECB Account. On the Maturity Date the EUR amount and interest thereon as agreed by the Parties shall be

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repaid to the ECB as a direct TARGET2 participant via TARGET2-ECB specifying ECBFDEFFBAC as the “beneficiary institution” in the related payment instruction. On the Maturity Date, the DKK amount shall be repaid to Danmarks Nationalbank, without any interest thereon, through the ECB Account. The repayment shall be effected by Danmarks Nationalbank.

Article 5

Liability and set-off

1. Each Party shall be fully liable to the other for the performance of its respective obligations under this Agreement. In addition, they shall be liable for all losses or costs arising from any negligence in the performance of its respective obligations under this Agreement, provided, however, that neither Party has any liability to the extent that it is unable to perform its obligations under this Agreement due to circumstances beyond its reasonable control.
2. In the event a Party fails to fulfil its obligations under this Agreement with respect to a particular Swap Transaction on the applicable Maturity Date, the non-defaulting Party may set off any obligation it may owe the defaulting Party against the currency held by the non-defaulting Party pursuant to this Agreement.
3. If the Danmarks Nationalbank does not repay the EUR amount due under a Swap Transaction on the Maturity Date, any shortfall shall be rolled over into a new overnight swap transaction (“Rollover Swap Transaction”), and the Danmarks Nationalbank shall credit the DKK equivalent amount of such shortfall to the ECB account. The Danmarks Nationalbank shall authorise the ECB to invoke a Rollover Swap Transaction on its behalf to cover any shortfall of maturity payments on any given day. The additional drawdown for the Rollover Swap Transaction shall not exceed the total amount maturing on that day. The interest rate and exchange rate on any Rollover Swap Transaction shall be mutually agreed by the Parties.

Article 6

Communications

All communications between the Parties made pursuant to or in connection with this Agreement shall be in English, unless otherwise agreed by the Parties. Any notice, request, document or other communication submitted by a Party under this Agreement shall refer to this Agreement and shall be deemed fully given or sent when delivered to the other Party at one of the following addresses:

To the ECB:

European Central Bank
Kaiserstrasse 29
60311 Frankfurt am Main
Germany
Facsimile: [REDACTED]
SWIFT: ECBFDEFFBAC
E-mail: [REDACTED] with a copy to [REDACTED]

Attention: Harm Metselaar, Head of Back Office Division

To Danmarks Nationalbank:

Danmarks Nationalbank
Havnegade 5
DK-1093 Copenhagen K
Denmark
Attention: [REDACTED]
E-mail: [REDACTED]
SWIFT: DKNBDKKK
Facsimile: [REDACTED]
Telephone: [REDACTED]

These addresses may, at any time, be changed by either Party by written notice to the other Party.

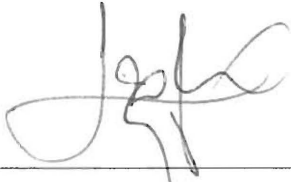
Article 7

Amendments; Entry into Force; Termination; Renewal

1. Any amendments to this Agreement shall be in writing and by both Parties.
2. This Agreement shall become effective on the day of the last signature hereto and shall continue in full force and effect until it is terminated. The Parties may, at any time, mutually agree to terminate this Agreement, and either Party may unilaterally terminate this Agreement with one month's prior notice. If this Agreement is terminated for any reason, its terms and conditions shall continue to apply until all amounts payable by each Party under this Agreement have been paid in full.
3. The Parties may, at any time, mutually agree to terminate or, with two business days' prior notice, to renew any Swap Transaction entered into under this Agreement. At such time as both Parties desire to terminate or renew a Swap Transaction, the Parties shall confer by telephone and agree on the adjusted terms for the relevant Swap Transaction, following the procedure set forth in Article 4(3). Once the Parties have agreed on these adjusted terms by telephone, the Parties shall confirm such oral agreement by means of a SWIFT message.

On behalf of the

EUROPEAN CENTRAL BANK




José Manuel González-Páramo
Member of the Executive Board

Date:

29.10.08

On behalf of the

DANMARKS NATIONALBANK



Nils Bernstein
Governor

Date:

28/10 08

ECB-PUBLIC