



These general terms and conditions (“General terms”) apply as of 30 March 2020 for the Riksbank’s purchases of commercial paper via bid procedures.

## 1. Definitions

“Bid date”	The date for making bids, as stated in the Specific terms.
“Bid time”	The time for making bids, as stated in the Specific terms.
“Registration”	The procedure by which counterparties register their interest in taking part in the bid procedures, annex 1.
“Bank day”	Monday to Friday that is not a holiday in Sweden, except Midsummer Eve, Christmas Eve and New Years Eve.
“Commercial paper”	Commercial paper that, from time to time, is requested by the Riksbank for Purchase as stated in the Specific terms
“Requested volume”	The volume, or the interval of volume, of Paper requested for Purchase by the Riksbank in accordance with the Specific terms for the respective Bid date.
“Information system”	Nasdaq’s GlobeNewswire system for receiving and distributing information in the Swedish money and bond markets or another electronic system for receiving and/or spreading information that the Riksbank has specially assigned.
“Purchase”	The Riksbank’s purchases of Commercial paper on the respective Bid dates.
“Delivery and settlement date”	The second Bank day after the Bid date.
“Counterparties”	Counterparties accepted by the Riksbank in accordance with point 4 below.
“Monetary Policy Counterparties”	Counterparties covered by the definition Monetary Policy Counterparties in the Riksbank’s Terms and Conditions for RIX and Monetary Policy Instruments.



“Final volume”	The volume of Commercial paper that the Riksbank, after the Bid time has expired on the respective Bid date, decides shall be purchased by the Riksbank on such Bid date. The Final volume is within the Requested volume, when the Requested Volume is stated as an interval.
“Specific terms”	The special terms and conditions that are applicable to the respective Bid date.

## **2. Method of purchase**

Purchases take place via bid procedures in which Counterparties make bids for Requested volume at a price fixed by the Riksbank.

## **3. Notification of Purchases and Special terms**

Prior to Purchase, the Riksbank will notify on its website and via the Information system – or by another means determined by the Riksbank – the Bid date, the Requested volume, the Bid times and the Delivery and payment date (“Specific terms”). Specific terms are normally notified two (2) Bank days prior to the Bid date.

## **4. Counterparties**

Only those who, at the time of submitting a bid, are Monetary Policy Counterparties and from whom the Riksbank has received a complete Registration no later than 09.00 the Bank day prior to the Bid date are eligible to make a bid when the Riksbank carries out Commercial paper Purchases. Counterparties must meet the requirements for Monetary Policy Counterparties on both the date of the Registration and the Bid date. The Riksbank reserves the right to depart from the requirements in this section.

Registration and the information provided in the Registration apply for and are binding for the Counterparty for all ensuing bid procedures in which the Counterparty participates.

Counterparties are obliged to ensure that the person representing the Counterparty in the Bid procedure is authorised to do so and has the authority to make binding bids on behalf of the Counterparty.

A counterparty is always bound by a submitted Bid.

## **5. Bid procedure**

Bids are submitted by Counterparties by telephone and confirmed by email during the Bid time on the Bid date.



The Riksbank reserves the right to terminate the bid procedure, extend or postpone the Bid times, or designate a later Bid date. In such case, this will be communicated to the Counterparties as soon as possible.

Bids shall include information about requested volume. Volume shall be stated as SEK 1,000,000 (corresponding nominal amount) or whole multiples thereof and may not exceed the Highest permitted bid volume or be lower than the Lowest permitted bid volume (such volumes are specified in the Specific terms).

Bids made are binding for the Counterparty. Bids may not be withdrawn or changed by the Counterparty after the Bid times have expired. Bids are binding until the allocation result has been notified, in accordance with point 6 below, or until the bid procedure has been terminated by the Riksbank.

When the Bid time has expired, the bids are consolidated. The Final volume is thereafter decided by the Riksbank. Allocation takes place hereafter, stating the volume per Counterparty. If necessary to avoid the Final volume being exceeded, the allocation for the bid is reduced pro rata. In the event of a reduction, the allocated volume is rounded down to a multiple of SEK 1,000,000 (corresponding nominal amount).

The Riksbank reserves the right to, without stating a reason and prior to the allocation decision, reject submitted bids or individual Commercial papers (ISIN code), even if this would mean that the Final volume is lower than the Requested volume or that no allocation takes place at all. The Counterparty's bid is accepted via the allocation decision.

The Counterparty is obliged to deliver the allocated volume even if this is smaller than the volume offered in the Counterparty's bid.

## **6. Reporting allocation results**

The allocation results stating the allocated volume will be notified via the Information system, or by another means determined by the Riksbank, normally no later than 30 minutes after the deadline for submitting a bid. However, in the case of impediment, the Riksbank reserves the right to notify the results at a later point in time. The allocation results will also be notified as soon as possible on the Riksbank's website.

One hour after the allocated volume has been notified, the bidder shall provide information in writing to the Riksbank on the Commercial papers that the bidder intends to include in the bid.

## **7. Delivery and payment**

On the Delivery and payment date, the delivery of the allocated Purchases of Commercial papers will be made by the relevant Counterparty, and payment for the Purchase of Commercial papers will be made by the Riksbank. The transaction will be through Euroclear Sweden AB's securities settlement system, in accordance with information provided by the Counterparty in its Registration and by the Riksbank in the Specific terms. The payment will be calculated in accordance with Swedish market practice.



If the bid refers to Commercial paper issued by public-sector companies in accordance with the definition in Article 8 of Council Regulation (EC) No. 3603/93 of 13 December 1993, the following applies:

The Counterparty is obliged to ensure that the Commercial paper delivered to the Riksbank by the Counterparty has not been obtained from the issuer to fulfil the delivery to the Riksbank.

For all Commercial paper, the following applies:

The Counterparty is obliged to ensure that the Commercial paper delivered to the Riksbank by the Counterparty has not been acquired from the issuing company for the sole purpose of fulfilling the delivery to the Riksbank. Commercial papers where the Counterparty has purchased the Commercial paper from the issuer later than one week prior to the date for announcing the Specific terms, may not be used for delivery.

## **8. Sanctions and other information about the terms**

If a party is not able to meet its full delivery or payment obligations or other obligation described in Point 7 above, that party shall compensate the other party for any damage, loss, claim, costs and expenditure the other party has suffered as a result of this failure.

If a Counterparty sells Commercial papers to the Riksbank that in the Bid date did not fulfil the requirements in the General or Specific terms, the Riksbank has the right to cancel the Purchase of such Commercial papers within two weeks of the Delivery and payment date.

The Riksbank also has the right to cancel the Purchase of certain Commercial paper (ISIN code) that the Counterparty has sold if – no later than on the Bid date – an application for bankruptcy or corporate reconstruction has been submitted against the issuer, the issuer has suspended their payments, trade in the Commercial paper has been stopped or there are another similar reasonable grounds giving the Riksbank the right to cancel the purchase. Such cancellation may occur no later than three days after the delivery of the Commercial paper.

Unless otherwise expressed in the General terms, the Riksbank's Terms and Conditions for RIX and Monetary Policy Instruments will apply as appropriate. If any of the terms and conditions in the General terms is incompatible with the Riksbank's Terms and Conditions for RIX and Monetary Policy Instruments, the General terms will take priority.

The General terms apply until further notice or until otherwise is notified by the Riksbank. The Riksbank reserves the right to make amendments to the General terms. Any such amendments will be notified to the Counterparties no later than 15.00 on the day before the relevant Bid date and will take immediate effect as of the time the Riksbank gives such notice.

Stockholm, 30 March 2020