Norges Bank

Terms and Conditions
for
Account Management at Norges Bank

1 February 2027

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Annex to the Terms and Conditions

1. Definitions
2. Access to Norges Bank's deposit and lending facilities

1 Introductory provisions

1.1 Scope of account management

These *Terms and Conditions for Account Management at Norges Bank* (the Terms and Conditions) apply to the establishment and use of the account holder's account with Norges Bank.

The account holder commits to complying with these Terms and Conditions by completing, signing, and submitting to Norges Bank the *Form for Account Management at Norges Bank*.

1.2 Legal basis etc.

The legal basis for the Terms and Conditions is Sections 3-1 and 3-3 of the *Act of 21 June 2019 No. 31 on Norges Bank and the Monetary System etc. (the Central Bank Act)* and the *Regulation of 18 December 2019 No. 2025 on access to borrowing and deposit facilities at Norges Bank*.

Provisions on insolvency have been laid down pursuant to the *Act of 17 December 1999 No. 95 on Payment Systems etc.*, and the *Act of 10 April 2015 No. 17 on Financial Institutions*.

Deposits in the account holder's account and the account holder's collateral for loans from Norges Bank may not be annulled under Section 5-7 of the *Act of 8 June 1984 No. 59 on Creditors Recovery*; cf. Section 4-4 of the *Act of 17 December No. 95 on Payment Systems etc.* and Section 5 of the *Act of 26 March 2004 No. 17 on Financial Collateral*.

1.3 Supplementary provisions

Norges Bank lays down the following supplementary provisions to these Terms and Conditions:

- The Operating schedule for Norges Bank's settlement system
- Prices and fees in Norges Bank's settlement system
- *Guidelines for pledging securities and fund units as collateral for loans from Norges Bank*

Norges Bank may also lay down other supplementary provisions to these Terms and Conditions.

1.4 Definitions

Words and terms used in these Terms and Conditions shall have the meaning as set out in the definitions in Annex 1 *Definitions* unless otherwise follows from the context.

1.5 Entry into force

These Terms and Conditions enter into force as decided by Norges Bank.

1.6 Changes to the Terms and Conditions

Norges Bank may change the Terms and Conditions or the supplementary provisions mentioned in Section 1.3. The changes will normally enter into force with at least one (1) months' notice, except prices and fees, which will be notified two (2) months before entry into force. If Norges Bank deems it necessary, changes may be made on shorter notice.

Major changes to the Terms and Conditions and in the Operating schedule for Norges Bank's settlement system will be circulated for comment before they are laid down.

Norges Bank will publish the changes by circular.

1.7 Choice of law and dispute resolution

The parties' rights and obligations under these Terms and Conditions shall be governed by Norwegian law.

These Terms and Conditions and the *Form for account management at Norges Bank* are available in Norwegian and English. In case of discrepancy between the Norwegian and English text, the text in Norwegian applies.

The parties shall attempt to resolve any disputes arising from these Terms and Conditions by way of negotiations. If a dispute is not resolved within three (3) months, any of the parties may decide to refer the dispute to the ordinary courts. In such an event, the case will be brought before the Oslo District Court.

1.8 Contact information

All inquiries to Norges Bank relating to these Terms and Conditions, account management and emergency situations should be addressed to the Interbank Settlement Unit:

- Helpdesk NBO: Tel.: + 47 22 31 60 78
- E-mail: nbo@norges-bank.no

1.9 Processing of personal data

Norges Bank processes contact information about the account holder's employees and others who perform services or work for the account holder relating to account management at Norges Bank. Norges Bank also processes personal data included in payment messages settled in NBO, including name, address and account number of payer and payee.

Norges Bank is responsible for the collection and processing of personal data. The purpose of the processing is to establish account management and perform tasks relating to the account management in accordance with these Terms and Conditions. The legal basis for the processing is the *Regulation EU 2016/679 of 27 April 2016 on Protection of natural persons with regard to the processing of personal data and on the free movement of such data, Article 6 No. 1 (e)*, cf Section 1 of the Act of 15 June 2018 No. 38 on the Processing of Personal Data (*Personal Data Act)* and Sections 3-1 and 3-3 (1) of the *Central Bank Act*.

1.10 Norges Bank's liability

Norges Bank's liability is limited to direct loss of interest caused by Norges Bank's erroneous or delayed credit to or debit from the account holder's account.

Norges Bank is not liable for any other losses, including indirect losses, unless the loss is a result of an error or a delay caused by gross negligence or wilful misconduct or intent on the part of Norges Bank.

If the account holder has contributed to the error or delay, Norges Bank's liability under this Section may be limited or cease to apply.

1.11 Duty of confidentiality

Anyone performing work or services for Norges Bank has a duty of confidentiality in accordance with *Section 5-2 of the Central Bank Act*.

The account holder and anyone performing services or work for the account holder has a duty of confidentiality regarding information on the business affairs of Norges Bank or others or the personal affairs of anyone that comes to the account holder's knowledge due to its account management at Norges Bank.

The account holder shall inform all its relevant employees about the duty of confidentiality. The same applies to others who provide services to the account holder.

The duty of confidentiality does not prevent a party from disclosing information in the following cases:

- If disclosing information is necessary for a party to fulfil its obligations to the other party in connection with these Terms and Conditions.

- If disclosure is required by any applicable law or regulation, by instruction from an authority or pursuant to a court order.

- To a relevant governmental authority in connection with legal or arbitral proceedings commenced against or involving the disclosing party and relating to the other party.

- To professional advisers including legal advisers and external auditors of the disclosing party, who are themselves under a duty of confidentiality to the disclosing party with respect to such information.

- If such information is generally and publicly available.

- If the other party gives prior written consent to the disclosure.

The duty of confidentiality does not prevent the parties from providing the information considered necessary for Norges Bank to be able to perform its tasks as settlement bank for the account holder. Nor does the duty of confidentiality prevent Norges Bank from notifying clearing houses who submit payment orders to Norges Bank on behalf of more than one account holder, about changes in an account holder's participation in NBO. The same applies to messages from NBO to VPO concerning the balance on the account holder's VPO LOM account and messages from NBO to NICS Real concerning the balance on the account holder's Straks LOM account.

If one or more account holders have insufficient funds for their payment position in a clearing to be settled in NBO, Norges Bank may report the account holders that have insufficient funds to the operator of the clearing system. Norges Bank may also inform the operator of a clearing system about termination, suspension and restriction on account holders' access to lending facilities as well as closure of accounts at Norges Bank.

1.12 Anti-money laundering

The account holder shall comply with current applicable international and Norwegian legislation on anti-money laundering.

1.13 Provision of information to Norges Bank

On request from Norges Bank, the account holder shall provide any information regarding its operations relevant to the Terms and Conditions, including information to verify that the use of the account meets the criteria for holding an account with Norges Bank and information that Norges Bank deems beneficial to promote an efficient and secure payment system, including the smooth settlement of payments. An account holder shall provide such information within reasonable time when requested.

2 Account management, user administration etc.

2.1 Opening and change of an account

Banks and other financial sector undertakings may request Norges Bank to open a settlement account by submitting an application including a completed *Form for account management at Norges Bank*. This form is also used to notify continuation of, changes to or termination of an account.

The account holder shall notify Norges Bank of changes to company structure, mergers or demergers no later than one (1) month before the change becomes effective. Norges Bank may, on reasonable grounds, terminate its account management effective from the time the change becomes effective, cf Section 2.2.

The account holder shall, without undue delay, notify Norges Bank of any other operational or organisational changes that may be material to account management, including changes to the nature of its activities or its role in the payment system.

Applications and notifications pursuant to this provision shall be submitted in writing to the Interbank Settlement unit, cf. Section 1.8. All communication with Norges Bank in connection with account management shall be in Norwegian, Danish, Swedish or English.

2.2 Termination and cancellation

The account holder may terminate its accounts with Norges Bank at one (1) month's written notice. Termination by Norges Bank requires reasonable grounds and may be executed with immediate effect.

In the event of a material breach of these Terms and Conditions, either party may suspend the account management at Norges Bank for a specified period or terminate it with immediate effect.

A resolution decision pursuant to Section 20-15 of the Financial Institutions Act or corresponding rules in the account holder's home state is not deemed to be a breach of these terms and conditions.

Account management at Norges Bank for the account holder will be terminated with immediate effect if insolvency proceedings against the account holder have been decided. However, the termination is without prejudice to the provisions regarding NICS Real in Section 3.4, settlement of payment orders from Euronext Securities Oslo in Section 3.5 and collateral for loans in Section 5.

2.3 Access to Norges Bank's deposit and lending facilities

The access banks and other financial sector undertakings have to accounts, and deposit and lending facilities at Norges Bank is described in more detail in Annex 2 to these Terms and Conditions.

2.4 Account management

The account holder manages its accounts at Norges Bank by using NBO Online or by submitting SWIFT messages. Registration of payment orders in NBO Online must be verified by another user in the account holder's organisation before they can be settled in NBO.

An account holder with a settlement account at Norges Bank shall use NBO Online to monitor the execution of all payment settlements in NBO in which the account holder participates.

The account holder shall have internal procedures for its use of NBO Online and registration of payment orders that are submitted via SWIFT to avoid unauthorised access that could cause operational disruptions, financial loss or other negative consequences including violation of integrity or confidentiality.

The account holder is responsible to ensure that users of NBO Online are familiar with the rules and procedures for participation in NBO, including the user manual for NBO Online.

The account holder shall notify Norges Bank of the account holder's contact persons for operational liquidity management and for securities and fund units pledged as collateral for loans from Norges Bank by submitting a completed *Form for contact persons – Norges Bank's settlement system*.

2.5 User administration for NBO Online

The account holder shall at all times have at least one user manager that is authorised to administer the account holder's users of NBO Online. The *Form for user manager – NBO Online* shall be used to notify Norges Bank of the appointment of the user manager and of any succeeding changes.

The user manager shall allocate user rights to each user at the account holder and notify Norges Bank of new users, changes in user rights or cancellations of users without undue delay and also inform Norges Bank of any users on leave of absence.

User rights are personal and shall not be shared with others. The *Form for user rights – NBO Online* shall be used to notify Norges Bank of new users, change user rights or cancel users.

The number of users of NBO Online shall be limited to those who actively use the system or those who shall use the system in contingency situations. Norges Bank will deactivate the access to NBO Online for users that have not been logged on to the system for the previous six (6) months.

At Norges Bank's request, the user manager shall confirm which individuals in the account holder's organisation that have user rights to NBO Online.

2.6 Account information and daily reconciliation

Norges Bank shall inform the account holder through NBO Online or SWIFT of payment orders settled on the account holder's accounts and account statements for each account.

The account holder shall reconcile its account in NBO each settlement day.

2.7 Test of system changes and new system versions

When requested by Norges Bank, the account holder shall participate in tests of system changes and new versions of system solutions for NBO. Norges Bank shall inform the account holder of the time and other practical matters in good time before the test is conducted.

3 Payment settlements

3.1 Deadlines for payment orders

Payment orders to be settled the same settlement day must be received in NBO before the closing time for the relevant account in accordance with the operating schedule for NBO. The account holder shall specify the day of settlement for payment orders and may specify the time of settlement during opening hours in accordance with the operating schedule for NBO.

3.2 Time of payment order entry and settlement finality

A payment order is regarded as entered in NBO and settled with finality when it has been debited from one of the account holder's accounts with Norges Bank. Norges Bank, the account holder or a third party may not recall the payment order after this time.

3.2.1 A clearing in VPO NOK

A payment order stemming from a clearing in VPO NOK is regarded as entered in NBO when it is controlled (matched) in VPO NOK. Norges Bank, an account holder or a third party may not recall the payment order after this time. Such payment orders are finally settled when they have been debited from the account holder's VPO LOM account and the deposits in the account is at the disposal of the account holder.

3.2.2 A clearing in NICS Real

A payment order stemming from a clearing in NICS Real is regarded as entered in NBO at the time NICS Real credits the real liquidity of the payment receiver's bank. Norges Bank, the account holder or a third party may not recall the payment order after this time. Such payment orders are settled with finality when they have been debited from the account holder's Straks LOM account.

3.3 Direct participation in settlement of clearings in Norges Bank

An account holder that is a direct participant in settlement of clearings in Norges Bank must be a SWIFT participant in NBO and have established access to Norges Bank's lending facilities.

Norges Bank may in special cases grant exemption from one or both requirements upon application by the account holder. Norges Bank may lay down further terms and conditions for such an exemption.

3.4 Settlement at Norges Bank of payment orders from NICS

The account holder accepts that payment orders from NICS may be debited from and credited to the account holder’s accounts at Norges Bank.

An account holder that participates directly in settlement of clearings at Norges Bank shall be staffed and monitor the execution of payment settlements from 7 am until NBO is closed for settlement of payment orders the same settlement date.

Payment orders that have been entered in NICS Real before the initiation of insolvency proceedings of the account holder, may be executed according to their contents. The same applies to payment orders that have been entered in NICS Real after the initiation of insolvency proceedings, but before Bits became aware of, or should have become aware of the initiation of insolvency proceedings.

Deposits in the account holder’s Straks LOM account at the time of initiation of insolvency proceedings of the account holder may be used for settlements during the corresponding settlement day. The same applies to deposits credited to the Straks LOM account of the account holder in question pursuant to payment orders from NICS Real after the initiation of insolvency proceedings, but before Bits became aware of, or should have become aware of the initiation of insolvency proceedings.

The account holder shall notify Norges Bank of any change in its participation in NICS that will affect the account holder’s participation in payment settlements in NBO by submitting the *Form for account management at Norges Bank*. The form must be received by Norges Bank by no later than one (1) week before the change becomes effective.

The requirement of one week’s notice to Norges Bank of changes in an account holder’s participation in NICS does not apply in situations where the account holder must rapidly switch settlement bank. In such situations, the account holder may use Norges Bank as its settlement bank from the time Norges Bank has implemented the change.

3.5 Settlement at Norges Bank of payment orders from Euronext Securities Oslo

An account holder accepts that payment orders from Euronext Securities Oslo can be debited from and credited to the account holder's VPO LOM account at Norges Bank.

Before settlement of each clearing, the account holder shall transfer funds to its VPO LOM account by the deadlines determined in the operating schedule for NBO. The account holder does not have rights of disposal over the funds in the VPO LOM account in the periods stated in the operating schedule for NBO. The execution of the securities settlement requires that each participant in the settlement has available funds for its payment position in the form of deposits in its VPO LOM account.

Payment orders that have been entered in VPO NOK before the initiation of insolvency proceedings of an account holder may be executed according to their contents. The same applies to payment orders that have been entered in VPO NOK after the initiation of insolvency proceedings, but before the initiation of insolvency proceedings came to, or should have come to, the knowledge of Euronext Securities Oslo.

Deposits in the account holder's VPO LOM account at the time of initiation of insolvency proceedings of the account holder may be used for settlements during the corresponding settlement day. The same applies to deposits credited to the VPO LOM account of the account holder pursuant to a payment order from VPO NOK after the initiation of insolvency proceedings.

3.6 Settlement of payment orders – sequence and priorities etc.

If the account holder has not specified a time of settlement, Norges Bank shall settle payment orders in the account holder's accounts in the order in which they are received. A payment order may be settled even if an earlier payment order of the same priority is on hold due to insufficient funds.

In the event of insufficient funds in a NBO LOM account, the following priorities apply to the settlement of payment orders:

1. Interest on fixed-term loans (F-loans) and settlement of foreign exchange trades with Norges Bank.
2. Clearings from NICS (Net).
3. Gross payment orders from the account holder and payment orders from Norges Bank except settlement of foreign exchange trades with Norges Bank.

The account holder may give priority to one gross payment order over another gross payment order in a queue but may not give priority to a gross payment order over a clearing in a queue.

The account holder shall have sufficient funds for settlement of its payment orders and other obligations by the deadlines specified in the operational schedule for NBO. Payment orders to

be debited from the primary account will be rejected immediately if there are insufficient funds in the account.

Norges Bank may reject a clearing if there are insufficient funds or if requested to do so by the operator of the clearing system. This applies even if the deadlines in the operating schedule for NBO have not been exceeded. Norges Bank may settle a clearing that replaces the rejected clearing.

Norges Bank will reject a clearing or a gross payment order if there are insufficient funds in the account holder's LOM account at closing time for the relevant account.

In the event of severe operational disruptions with reduced availability or capacity in NBO, Norges Bank may deviate from the provisions in the first and second paragraph. Clearings, payments to CLS Bank and other gross payment orders that are important for payment settlements to be completed, will be given priority.

3.7 Right to debit and credit accounts

Norges Bank is entitled to debit the account holder's accounts on the basis of payment orders received in accordance with these Terms and Conditions. The same applies to claims Norges Bank has on the account holder as a result of its borrowing from Norges Bank, the account management and its participation in payment settlement in NBO, including prices and fees. For deposits in the account holder's VPO LOM account and Straks LOM account, Norges Bank's rights according to the second sentence only apply to the extent there are available funds in the account by the end of the settlement day on which insolvency proceedings were initiated.

3.8 Correction of incorrect entries in an account

If Norges Bank has credited the account holder's account incorrectly, Norges Bank may correct the error and notify the account holder provided that the correction is made before the end of the third settlement day after the error occurred. If the correction is made later, Norges Bank must obtain the advance written consent of the account holder.

If Norges Bank has debited the account holder's account incorrectly, Norges Bank shall correct the error and notify the account holder without undue delay.

4 Contingency

4.1 Enhanced contingency mechanism

If Norges Bank activates the enhanced contingency mechanism, Norges Bank must notify the account holder in advance.

On request, the account holder must confirm the balance on its account with Norges Bank.

Upon activation of the enhanced contingency mechanism, all payment settlements, except settlement of cleared payment positions from NICS Real, will be executed in one account for each account holder. The contingency mechanism does not provide the option to reserve funds for specific payment settlements except for settlement of payments in NICS Real.

Changes to the access to the lending facilities will be made manually by Norges Bank and normally only upon the maturity of pledged securities and for registration of new collateral.

SWIFT participants in NBO shall submit payment orders to Norges Bank via SWIFT as normal and will receive account statements as SWIFT messages. SWIFT participants in NBO will have access to monitor the execution of its payment orders in a special user interface via SWIFT WebAccess.

An account holder that is not a SWIFT participant in NBO must submit payment orders to Norges Bank by using a contingency solution in accordance with Section 4.3. These account holders will not have access to monitor the execution of their payment orders in the enhanced contingency mechanism.

When the use of the contingency mechanism has been terminated, Norges Bank shall submit an account statement to the account holder for the period the contingency mechanism was active.

When the enhanced contingency mechanism is active, interest on loans and deposits in the settlement account will only be debited from and/or credited to the account holder's account in connection with month-end and when the use of the contingency mechanism has been terminated and the ordinary settlement system again is in operation. Interest on fixed term loans (F-loans) and fixed term deposits (F-deposits) will be debited and credited as normal.

When the enhanced contingency mechanism is active, account holders participating directly in settlement of clearings in Norges Bank must be staffed and shall monitor the execution of payment settlements from 7 am until NBO is closed for settlement of payment orders the same settlement date.

4.2 Contingency solution for submitting instructions

In contingency situations, the account holder may, with Norges Bank's consent, make use of the funds in its accounts by submitting payment orders, orders to debit its account for withdrawal of notes and coins or request to release pledged securities to Norges Bank using a secure communication and authentication solution approved at any given time by Norges Bank.

Payment orders submitted in accordance with the relevant authentication and authorisation control requirements are binding for the account holder and Norges Bank. Norges Bank will not automatically confirm the receipt of orders to the account holder.

Norges Bank may lay down further requirements for communication, authentication, confirmation and the processing of instructions under this provision. Norges Bank does not accept responsibility for errors or delays stemming from problems in sending orders from the account holder to Norges Bank in accordance with this Section.

4.3 Contingency exercises

The account holder shall take part in NBO contingency exercises initiated by Norges Bank. If a contingency exercise has been announced, Norges Bank shall inform the account holder of the time the exercise will be held and provide other practical information in good time before the exercise takes place. In cases where the account holder is not to know the exact time of an exercise, Norges Bank shall provide information on the planned time period for the exercise in sufficient time.

5 Collateral for loans

5.1 Access to the lending facilities

To obtain access to Norges Bank's lending facilities, the account holder must sign and submit to Norges Bank the *Form for account management at Norges Bank* with completed Section D *Borrowing from Norges Bank* and Section E *Declaration of collateral – Collateral for loans from Norges Bank*.

If the value of the account holder's loans and accrued interest and fees exceed the loan value of the collateral, Norges Bank may require the account holder to increase its collateral. In such cases, Norges Bank may also claim the account holder's ordinary deposits at Norges Bank as collateral.

5.2 The account holder's right of disposal

Assets which the account holder has pledged as collateral for loans from Norges Bank cannot be used as collateral in relation to a third party. The account holder has the right of disposal of interest paid on securities pledged as collateral in favour of Norges Bank.

Securities pledged as collateral can only be released by Norges Bank.

5.3 Norges Bank's rights of disposal

Norges Bank may only use the collateral to enforce the claims specified in the *Form for account management at Norges Bank*, Section E. The collateral shall be realised in accordance with the provisions of Sections 5.7 – 5.9.

5.4 Principal repayment, redemption and maturity

Disbursements in connection with principal repayment, redemption or the maturity of securities pledged as collateral for loans from Norges Bank are included in Norges Bank's security interest and shall be credited to an account specified by Norges Bank. Securities pledged as collateral do not provide access to Norges Bank's lending facilities as from the settlement day prior to the redemption or maturity day.

For securities pledged as collateral and held by Euroclear Bank SA/NV or Clearstream Banking SA, the account holder shall request release of the pledged securities no later than on the settlement day before the maturity day. In the event of the repayment of principal or redemption of a security (ISIN), this provision applies correspondingly for the entire pledged holdings of the security in question.

5.5 Collateral held by Euroclear Bank SA/NV or Clearstream Banking SA

The account holder must submit a request to Norges Bank to register or release securities pledged as collateral and held by Euroclear Bank SA/NV or Clearstream Banking SA by a deadline appearing in the operating schedule for NBO. Requests received after the deadline on a settlement date or requests with a backdated settlement date will be automatically rejected by Norges Bank. In such cases, the account holder shall cancel corresponding instructions registered with Euroclear Bank SA/NV or Clearstream Banking SA.

For pledges or releases of securities that have not been transferred in the central securities depository by the deadline stated in the first paragraph, the account holder shall also notify Norges Bank separately in accordance with Section 1.8. The account holder must also ensure that such requests are cancelled by the central securities depository.

If Norges Bank is charged a cash penalty owing to the circumstances of the account holder, including that the account holder has acted in contravention of the provisions of the first and second paragraph, Norges Bank will debit the account holder's account in the amount of the penalty in question.

5.6 Breach of agreement and insolvency proceedings etc.

Within the scope of these Terms and Conditions and the provisions in the *Form for account management at Norges Bank*, cf Section E *Declaration of collateral – Collateral for loans from Norges Bank,* Norges Bank has the right to recover any claims against the account holder by close-out netting, and to take possession of and to realise the collateral in full or in part, if:

a. The account holder defaults on its obligations to Norges Bank relating to the repayment of loans or the disbursement of interest on loans.

b. The account holder defaults on its obligations to Norges Bank to increase its collateral if the sum of loans and accrued interest exceeds the loan value of the collateral.

c. The account holder is subject to insolvency proceedings.

d. Norges Bank has decided to suspend or limit the account holder's access to the lending facilities in accordance with the provisions of the *Regulation on access to lending and deposit facilities at Norges Bank*.

5.7 Close-out netting

If at least one of the conditions in section 5.6 is met, Norges Bank may enforce its claims against the account holder by close-out netting against the account holder's deposits with Norges Bank, including ordinary deposits and fixed-term deposits (F-deposits).

5.8 Loans within the Scandinavian Cash Pool

The provisions relating to the Scandinavian Cash Pool arrangement are based on separate agreements between Norges Bank and Danmarks Nationalbank and Sveriges Riksbank respectively.

5.8.1 Loans from Norges Bank

Norges Bank may extend intra-day loans to the account holder against collateral in the form of specific deposits with Danmarks Nationalbank or Sveriges Riksbank within the SCP. Such collateral may be pledged by the account holder itself or by another account holder.

Upon receipt of confirmation from Danmarks Nationalbank or Sveriges Riksbank on the account holder's deposits on a specific collateral account, the account holder's credit limit at Norges Bank will increase accordingly after recalculation and a haircut.

Loans from Norges Bank to the account holder against collateral in the form of specific deposits with Danmarks Nationalbank or Sveriges Riksbank within the SCP shall be returned the same settlement day and by the deadline stated in the operational schedule for NBO.

The collateral will be released when the account holder has repaid its loan from Norges Bank. In the event of partial repayment, the collateral will be released correspondingly.

If the account holder does not repay its loan by the deadline laid down by Norges Bank, Norges Bank will impose a fee on the account holder in accordance with the current prices and fees in NBO. The fee will be debited from the account holder's settlement account with Norges Bank.

5.8.2 Loans from Danmarks Nationalbank or Sveriges Riksbank

The account holder's access to lending facilities at Danmarks Nationalbank or Sveriges Riksbank within the SCP is regulated by the terms and conditions for the settlement systems of the two central banks (KRONOS and RIX respectively).

If the account holder has pledged collateral in Norges Bank for loans from Danmarks Nationalbank or Sveriges Riksbank within the SCP, Norges Bank may disburse funds from the account holder's collateral account on demand of Danmarks Nationalbank or Sveriges Riksbank.

If the account holder does not repay its loans from Danmarks Nationalbank or Sveriges Riksbank within the SCP, so that the account holder's deposits on its collateral account with Norges Bank is not released by the deadline that applies to such releases, Norges Bank will impose a fee on the account holder in accordance with current prices and fees in NBO. The fee will be debited from the account holder's settlement account with Norges Bank.

Norges Bank is not entitled to enforce its claims against the account holder by netting against the bank's deposits in its collateral account at Norges Bank that are pledged as collateral for loans from Danmarks Nationalbank or Sveriges Riksbank within the SCP.

5.9 Realisation of collateral etc.

If at least one of the conditions in Section 5.6 exists, Norges Bank may without further consent from the account holder or from the administrator or from the bankruptcy estate realise collateral registered in a central securities depository in Norway or abroad. The same applies to deposits pledged as collateral for loans from Norges Bank at Danmarks Nationalbank and Sveriges Riksbank. To realise such deposits Norges Bank will request Danmarks Nationalbank and Sveriges Riksbank to disburse the collateral to Norges Bank.

In case the ownership of the collateral in total or in part is transferred to Norges Bank, the market value of the transferred securities shall be netted against the obligations of the account holder. The market value shall be determined on commercial and reasonable terms in accordance with *Section 8* of the *Act of 26 March 2004 No.17 on Financial Collateral* based on a valuation from an independent and authorised securities broker or from an independent state authorised public accountant appointed by Norges Bank. Norges Bank shall inform the account holder about the outcome of the valuation. The account holder and Norges Bank are both committed by the valuation.

Norges Bank shall only realise the collateral to enforce the claims specified in the *Form for account management at Norges Bank*, cf. *Section E Declaration of collateral – Collateral for loans from Norges Bank*. Norges Bank shall notify the account holder or the administrator or the bankruptcy estate before the collateral is realised.

Valuation, realisation and, if applicable, close-out settlement between the account holder and Norges Bank shall be executed on commercially reasonable terms. For deposits pledged as collateral at Danmarks Nationalbank or Sveriges Riksbank, the close-out settlement shall be based on the foreign exchange rate obtained from an independent broker at the time of realisation of the collateral.

By signing the *Form for account management at Norges Bank* and completing *Section E Declaration of collateral – Collateral for loans from Norges Bank*, the account holder grants Norges Bank the irrevocable authority to give the registrar for securities, central securities depository and broker the instructions necessary to realise or repossess the collateral.

5.10 Tax liability and tax reporting

The account holder is responsible for the correct completion and timely reporting of documents related to tax liability and tax reporting etc. If required, the account holder must submit the relevant documents to Norges Bank for signature and forwarding to the relevant recipients.
The account holder bears the risk where such documentation is not provided, or is incomplete, invalid or expired. Norges Bank shall not be liable for any withholding tax, amounts withheld or other financial consequences arising therefrom, including any withholding tax or withholding effected by the securities depository in connection with interest or coupon payments on pledged securities.

The account holder is also responsible for ensuring that securities are not pledged in a manner that results in withholding tax or other withholding in connection with interest or coupon payments. Where the release of pledged securities is necessary to avoid such consequences, the account holder must request such release within the applicable deadlines.