

## **BOND TERMS FOR KOMMUNEKREDIT 0.125% BULLET LOAN DUE 2023**

### **Fixed rate non-callable bonds (hereafter "the Bonds")**

Issuer	KommuneKredit (hereafter "KommuneKredit" or the "Issuer").
Legal Framework	<p>KommuneKredit is established by Act (Lov om kreditforeningen af kommuner og regioner i Danmark).</p> <p>KommuneKredit's purpose is to provide lending and financial leasing to municipalities, regions, municipal companies and other institutions that are jointly and severally liable for loans raised, or in which one or more municipalities or regions participate, or to institutions, where one or more municipalities or regions have guaranteed the loan amount.</p> <p>As supervisory authority the Ministry of Economic Affairs and the Interior ensures compliance with the Act and regulations issued pursuant to the Act.</p>
Issuer's CVR (VAT) number	22128612
Issuer's LEI Number	529900D8QLTZ6PRLJL76
Issuer Rating	Aaa (Moody's) / AA+ (S&P)
Are the Bonds rated?	Yes
Bond Rating	Aaa (Moody's) / AA+ (S&P)
ISIN Code	DK0008931108
Series Number	Series 345
Bond Type	Bullet loan. The Bonds are non-callable. The Bonds are redeemed in full on the Maturity Date or the first Banking Day thereafter.
Denomination	Danish kroner (DKK)
First day of Listing	8 November 2018
Closing Date	8 October 2023

Maturity Date	8 November 2023
Denomination	DKK 0.01
Form of Bonds	Issued as dematerialized Bonds registered at the Place of Registration.
Negotiability	The Bonds are negotiable debt instruments issued in bulk. The Bonds are not listed by bondholder.
Status of Bonds	Senior unsecured
Liability	All claims against KommuneKredit are secured through the members' joint and several liability for all of KommuneKredit's liabilities. The members must be Danish municipalities and regions. If KommuneKredit defaults on a payment obligation relating to the bonds, the bondholders can, effective immediately, assert a claim against any of KommuneKredit's members.
Callability	The Bonds are irredeemable by the bondholders.
Conditional renewal of term to maturity	No.

### **Interest and Payment**

Interest Basis	Fixed Rate
Nominal Interest Rate	0.125 per cent per annum
Effective Interest Rate	Cannot be specified, as the Bonds are issued on an ongoing basis while the ISIN is open for purchase.
Interest Rate Spread per annum	Not applicable as the Bonds are Fixed Rate.
Reference Rate	Not applicable as the Bonds are Fixed Rate.
Fixing	Not applicable as the Bonds are Fixed Rate.
Fixing method	Not applicable as the Bonds are Fixed Rate.

## BOND TERMS

Fixing period	Not applicable as the Bonds are Fixed Rate.
Information on movements in the money market rate which forms the basis for the reference rate	Not applicable as the Bonds are Fixed Rate.
Day Count Fraction	Act/Act (ICMA)
Number of Interest Rate Periods per annum	1
Interest Rate Periods	8 November – 7 November

Interest is calculated from and including the first day of the Interest Rate Period to and including the last day of the of the Interest Rate Period (unadjusted). The first Interest Rate Period commences on 8 November 2018.

Payment Dates for Interest	8 November of each year from and including 8 November 2019 to and including the Maturity Date. If the Payment Date for Interest is a day, which is not a Banking Day, payment is postponed to the following Banking Day.
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Banking Day	Danish Banking Days  Danish Banking Day means any day on which Danish payment service providers and Danish commercial banks are open for general business.
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Payments	Payment of interest etc. are made via transfer on the relevant date of redemption to the designated financial institution.
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Redemption	Bonds are redeemed on the Maturity Date.
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### **Underlying loan**

Are the bonds based on an underlying loan?	No  The net proceeds of the Bonds will be used for general corporate purposes.
Bullet loan	No

## BOND TERMS

Annuity loan	No
Serial loan	No
Installment-free	No
Callable	No
Borrower's Early Redemption	Not applicable.
Redemption Price at Maturity	100

### **Securities Depository and Regulated Market**

Place of Registration	VP Securities A/S Weidekampsgade 14 P.O. Box 4040 DK-2300 Copenhagen S. Denmark
Place of Listing	The Bonds are listed on Nasdaq Copenhagen A/S.
Date of Listing	8 November 2018
Calculation Agent	Issuer

### **Costs and offering**

Costs of admission to trading on a regulated market	Costs shall not be covered by investor.
Costs payable by investor	Investors are themselves responsible for checking which trade costs (for example commissions and/or charges of extra brokerage fees) are imposed by third parties in connection with the purchase of bonds.
Issue Price	Market price
Settlement	The Bonds are traded 2 Banking Days prior to Settlement.
Outstanding Amount	The Outstanding Amount of Bonds will be announced regularly at the website of Nasdaq Copenhagen A/S <a href="http://www.nasdaqomxnordic.com">www.nasdaqomxnordic.com</a> .

## BOND TERMS

Offer Period	There will not be a public offer as the Bonds are sold by the Issuer via the regulated market at the Place of Listing.
Limitations for the investor	The Issuer has not imposed limitations on the individual investor's right to subscribe for the Bonds.
Access to information on bondholders	No
Agreements on placement/underwriting of the offer	The Issuer has not entered into any binding agreements with any third party concerning the placement and/or underwriting of the issue of the Bonds.
Agreements on market making	The Issuer has not entered into any agreement with any third party concerning market making in the Bonds.
Taxation	<p>The Issuer shall not be held liable for any changes in the tax treatment of the bonds or in the tax position of the bondholders – including any withholding of tax of any kind or collection of tax at source imposed by public authorities.</p> <p>All bondholders are encouraged to seek separate and individual advice.</p>
Limitation	The Bonds are subject to limitation in accordance with the Act on Limitation in respect of a claim.
Governing law and jurisdiction	The Bonds, and legal matters related hereto, are governed by Danish law. The judicial district, in which KommuneKredit has its headquarters at any given time, will have jurisdiction.

### Other Definitions

Day Count Fraction Act/Act (ICMA)	<p>Means that:</p> <ul style="list-style-type: none"><li>• for a period corresponding to a whole Interest Rate Period the coupon payment per Denomination is calculated as: <math>\text{Denomination} * \text{Nominal Interest Rate} / \text{Number of annual Interest Rate Periods}</math>,</li><li>• for a period, which is shorter than the whole Interest Rate Period, the coupon payment per Denomination shall be calculated as: <math>\text{Denomination} * (\text{Nominal Interest Rate} / \text{Number</math></li></ul>
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- of annual Interest Rate Periods) \*  
(Actual number of days in the period  
/ Number of days in the Interest  
Rate Period),
- for a period, which is longer than the  
whole Interest Rate Period, the  
coupon payment per Denomination  
shall be calculated as the sum of:
    - Denomination \* (Nominal  
Interest Rate / Number of annual  
Interest Rate Periods) \* (Actual  
number of days to fall within the  
Interest Rate Period in which the  
period starts / Number of days in  
the Interest Rate Period in which  
the period starts), and
    - Denomination \* (Nominal  
Interest Rate / Number of annual  
Interest Rate Periods) \* (Actual  
number of days falling within the  
Interest Rate Period in which the  
period ends / Number of days in  
the Interest Rate Period in which  
the period ends).

Copenhagen, 26 October 2018

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Henrik Andersen

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Eske Hansen