
3-Year Loans

Danmarks Nationalbank supplements its monetary-policy instruments with a temporary 3-year lending facility, cf. the press release of 8 December 2011. The facility is offered to the monetary-policy counterparties – banks and mortgage banks – on two occasions, i.e. Friday, 30 March 2012 and Friday, 28 September 2012. The rate of interest on the 3-year loans will be variable, mirroring Danmarks Nationalbank's 7-day monetary-policy lending rate plus an interest premium. The interest premium will be zero until 31 July 2013. If, after this date, Danmarks Nationalbank finds that the access to funding in the money and capital markets has normalised, the premium will be increased.

The details of Danmarks Nationalbank's 3-year lending facility are as follows:

1. **Loan maturity:** 3 years. The loans may be redeemed prematurely, wholly or in part, on a weekly basis, on the last banking day of a week, but at the earliest 6 months after the loan was raised. Any request for early redemption must be received by Danmarks Nationalbank by 1:00 pm on the last banking day of the week.
2. **Interest rate:** The rate of interest on the 3-year loans will be variable, mirroring Danmarks Nationalbank's 7-day monetary-policy lending rate plus an interest premium. The interest premium will be zero until 31 July 2013. If, after this date, Danmarks Nationalbank finds that the access to funding in the money and capital markets has normalised, the premium will be increased. The total accrual of interest is payable on final redemption of the principal of the loan.
3. **Frequency:** The facility will be open on Friday, 30 March 2012 and Friday, 28 September 2012. The facility will be open from 10:00 am to 1:00 pm, corresponding to the time slot for Danmarks Nationalbank's 7-day monetary-policy lending. The loans will mature on Friday, 27 March 2015 and Friday, 25 September 2015.
4. **Size:** The counterparties are free to determine the size of 3-year loans from Danmarks Nationalbank in the announced open market operations.
5. **Collateral basis:** Lending is conditional on pledging of collateral included in Danmarks Nationalbank's collateral basis, cf. "Terms and Conditions for Pledging of Collateral for Credit Facilities in Danish Kroner at Danmarks Nationalbank".

A request for raising a 3-year loan should be submitted by sending in the form: "[Anmodning om optagelse af 3-årige udlån](#)".

A request for early redemption should be submitted by sending in the form: "[Anmodning om førtidsindfrielse af 3-årige udlån](#)".