

*This document is an English translation of the original Danish text. In the event of discrepancies between the original Danish text and the English translation, the Danish text shall prevail.*

## **TERMS FOR CAPITAL CENTRE H OF NYKREDIT REALKREDIT A/S**

Capital Centre H consists of a group of series with a joint series reserve fund and joint liability. The funds of the series reserve fund in the form of securities and bank deposits will be placed in separate accounts belonging to the Capital Centre.

In Capital Centre H, covered bonds ("særligt dækkede obligationer" - SDOs) will be issued in accordance with authorisation from the Danish Financial Supervisory Authority (FSA). Separate terms for bond issuance in the individual series or groups of series will be laid down. Bond issuance in the series of the Capital Centre may be used for funding lending, including mortgage lending, secured by the types of assets eligible as security for issuance of SDOs pursuant to the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act, of the Danish Financial Business Act.

Bond issuance in the Capital Centre may be used for funding of mortgage lending by Totalkredit, which is a subsidiary of Nykredit Realkredit, pursuant to section 152 c subsection (3) of the Danish Financial Business Act and authorisation of 11 July 2011 granted by the FSA. As security for the funding, Totalkredit shall issue SDOs in the form of one or more master securities in a Capital Centre H, of which Nykredit Realkredit is the only secured creditor as bondholder.

Bond issuance in the Capital Centre may also be used for funding of mortgage lending by Totalkredit where Totalkredit, as security for the funding, issues mortgage bonds in the form of one or more master securities in a Capital Centre 1, of which Nykredit Realkredit is the only secured creditor as bondholder.

Bond issuance in the Capital Centre may also be used for funding of mortgage lending by Totalkredit, where Totalkredit, as security for the funding, transfers loans and mortgages to Nykredit Realkredit pursuant to section 16 b of the Danish Financial Business Act.

Bond issuance in the Capital Centre may also be used for other funding of mortgage lending by Totalkredit against security in the form of other claims eligible as security for issuance of SDOs pursuant to the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act and the Danish Financial Business Act in force for the time being.

In addition to SDOs, junior covered bonds, senior unsecured debt and subordinated debt, including subordinate loan capital and hybrid core capital, may be issued out of Capital Centre H.

The series reserve fund must at all times fulfil the capital base requirement laid down in the Financial Business Act which was 8% of the risk-weighted assets of the Capital Centre at its opening. Nykredit Realkredit may decide that the funds of the series reserve fund shall exceed the amount required in the Danish Financial Business Act.

Nykredit Realkredit may transfer funds from the series reserve fund to Nykredit Realkredit In General if the funds of the series reserve fund exceed the requirement laid down in the Danish Financial Business Act or these terms.

With a view to increasing the security behind the bonds and in connection with the rating thereof by rating agencies, Nykredit Realkredit may decide to transfer capital to Capital Centre H in addition to the minimum requirement laid down in the Danish Financial Business Act. The capital so transferred will subsequently constitute part of the reserve fund. Nykredit Realkredit may furthermore adopt other

placement rules and requirements for the composition and allocation of the portfolio of securities (including limits to large exposures and maximum credit limits for certain sectors and debtors) in addition to the requirements laid down in the Danish Financial Business Act. Nykredit Realkredit may also adopt requirements for risk management which are stricter than prescribed by law. Any such decisions and adoption of requirements shall not affect the legal relationship between bondholders, borrowers and Nykredit Realkredit, and Nykredit Realkredit shall not be liable in connection with decision/adoption, lapse or amendment of any such requirements, rules or limits, including changes to the rating of the bonds.

The series of Capital Centre H will at the earliest be open for bond issuance with a view to funding mortgage loans disbursed from and including 18 August 2011. Nykredit Realkredit will decide when to close the Capital Centre for further lending and bond issuance.

Adopted 18 August 2011 by the Board of Directors of Nykredit Realkredit A/S.