

TRANSLATION FROM DANISH. THE DANISH VERSION PREVAILS.

**PROSPECTUS FOR MORTGAGE CREDIT BONDS
ISSUED BY BRFKREDIT A/S**

Date: 15 June 2005

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This prospectus takes the form of a basis prospectus in pursuance of Commission Regulation (EC) No. 809/2004, the Danish Securities Transactions Act as well as Executive Order No. 306 of 28 April 2005 issued by the Danish Financial Supervisory Authority under the Danish Securities Transactions Act. The Executive Order contains forms, which state the information that an issuer must disclose in a prospectus.

In the drawing-up of the prospectus, the following forms contained in the Regulation have been used as a starting point:

APPENDIX IV: Minimum information requirements for the registration document for debt securities and derivative instruments
APPENDIX V: Minimum information requirements for information in the securities note regarding debt securities

The prospectus contains a table listing the cross references between the individual paragraphs in the prospectus and the individual items in the forms used in the Regulation.

2. Summary

BRFkredit a/s (in the following called BRFkredit) intends to issue mortgage credit bonds under the Danish Mortgage Credit Loans and Mortgage credit bonds etc. Act.

The proceeds from such issuance shall be used to finance or re-finance mortgage credit loans taken up with BRFkredit. The issuance will take place on tap as financed loans are paid out or re-financed, or on the entering into fixed-price agreements in relation to the payment of financed loans or re-financing of such loans, or by auction and by means of block issues with a view to financing anticipated lending or the anticipated re-financing of loans granted. The issuance shall be divided into series, which are identified by means of a series identification number. A series may consist of several bond series (bonds), where each individual bond series can be identified by means of a securities code and an ISIN code.

The issuance shall take place during the period when the individual bond series are open for issuance, as stipulated for each individual bond series. BRFkredit may open new bond series.

The bonds shall be listed on a stock exchange, for the time being the OMX Exchange, Copenhagen; the bonds shall also be registered at VP Securities Services.

The bonds are freely negotiable.

The bonds are sold at market prices.

The bonds are repaid as the underlying loans are prepaid or repaid on maturity.

The bonds are non-callable for the creditors. For each individual bond series it may be stipulated that the bonds are callable and may be called at a term upon extraordinary prepayment by the borrower.

Creditor terms are stipulated for each individual bond series.

The currency of denomination is stipulated for each individual bond series.

A coupon rate is determined for each individual bond series; the coupon rate may be fixed, including zero, or variable or it may be changed from variable coupon rate to fixed coupon rate, including zero, or it may be changed from fixed coupon rate, including zero, to variable coupon rate. For each individual bond series issued with a variable coupon rate it shall be determined how the rate is fixed, the length of the period during which the rate is fixed, and the time when the rate is fixed.

For each individual bond series it shall be stipulated whether at the time of issuance the bonds meet the minimum interest rate requirements of the Danish Gains on Securities and Foreign Currency Act.

The bonds issued are guaranteed against that part of BRFkredit's assets, including mortgages on real estate and other forms of collateral, and in the personal liability of the borrowers, as stipulated for each individual series. Additional security is provided by the other assets of BRFkredit in pursuance of S.31 of the Danish Mortgage Credit Loans and Mortgage credit bonds etc Act.

The following series are already being issued under this prospectus:

Series number	Characteristic features
111.B	Fixed-interest, callable annuity bonds in DKK with quarterly settling periods. Issued from BRFkredit Capital Centre B.
411.B	Fixed-interest, callable annuity bonds in DKK with quarterly settling periods with a possible 10-year interest-only period for the borrower. Issued from BRFkredit Capital Centre B
321.B RTL	Fixed-interest, non-callable bullet bonds in DKK with one annual settling period. Issued from BRFkredit Capital Centre B
321.B.EUR	Fixed-interest, non-callable bullet bonds in euro with one annual settling period. Issued from BRFkredit Capital Centre B
142.B	Capped, variable-interest annuity bonds with a possibility of permanent transition to fixed interest payments in DKK with quarterly settling periods. Issued from BRFkredit Capital Centre B
442.B	Capped, variable-interest annuity bonds with a possibility of permanent transition to fixed interest payments in DKK with quarterly settling periods and with a possible 10-year interest-only period for the borrower. Issued from BRFkredit Capital Centre B
154.B	Capped, variable-interest, callable annuity bonds with quarterly settling periods. Issued from BRFkredit Capital Centre B.
454.B	Capped, variable-interest, callable annuity bonds with quarterly settling periods and with a possible 10-year interest-only period for the borrower. Issued from BRFkredit Capital Centre B.
321.RTL	Fixed-interest, non-callable bullet bonds in DKK with one annual settling period. Issued from BRFkredit's General Capital Centre (the General Capital Centre).
321	Fixed-interest, non-callable bullet bonds in DKK with quarterly settling periods. Issued from BRFkredit's General Capital Centre (the General Capital Centre).
321. EUR	Fixed-interest, non-callable bullet bonds in euro with one annual settling period. Issued from BRFkredit's General Capital Centre (the General Capital Centre).

The present prospectus has been drawn up in compliance with Commission Regulation (EC) No. 809/2004, the Danish Securities Transactions Act and Executive Order No. 306 of 28 April 2005 issued by the Danish Financial Supervisory Authority in accordance with the Danish Securities Transactions Act.

The prospectus consists of this summary, of a description of the relevant risk factors, of a description of the issuer and the bonds issued, and of the final terms and conditions for the bonds already in the market. In the event that new bond series are opened, the final terms and conditions for these new bonds shall be added to the prospectus.

It should be noted:

- that this summary should be read as an introduction to the prospectus, and
- that any decision to invest in the securities should be made on the basis of the prospectus as a whole, and
- that if a dispute concerning the information in the prospectus is brought before a court of law, the suing investor may be liable to paying costs in connection with the translation of the prospectus, before the proceedings are initiated, and
- that the physical or legal persons, who have drawn up the summary and any translations hereof and who have requested an approval of the summary and/or translation, may incur civil liability, but only

if the summary and/or translation thereof is misleading, incorrect or inconsistent when read together with the other parts of the prospectus.

It should furthermore be noted that the prospectus shall remain valid as long as BRFkredit is issuing the bonds mentioned in the prospectus. Therefore the period of validity of the prospectus will exceed 12 months. Consequently, information stated in the prospectus may become obsolete. However, BRFkredit shall be under an obligation to update the present prospectus if significant events etc. occur, which could affect the assessment of the bonds offered. In addition, BRFkredit shall be under an obligation to not less than once a year draw up a document, which contains a list of or refers to all the information that BRFkredit has published in the preceding 12 months in compliance with its legal obligations.

3. Risk factors

3.1. Risk factors pertaining to the issuer

The following is an overview of the risk factors, which may affect BRFkredit's (the issuer's) ability to meet its obligations in relation to the bonds issued. This overview is neither final nor exhaustive.

- **Liquidity:**
Via VP Securities Services, BRFkredit pays repayments on the bonds issued to the bondholders, and BRFkredit is therefore dependent on having access to liquidity, either in the form of deposits on accounts or of drawing rights in connection with the settling periods for the bonds issued. The payments due from BRFkredit to the bond holders are matched by payments made to BRFkredit by its customers (borrowers) who have taken out loans in the corresponding bond series. If a borrower defaults on his payments on time, and if an arrears amount arises in this connection, BRFkredit has the possibility of carrying through a forced sale of the underlying property in order to raise funds to pay the bond holders. In periods when a borrower does not make repayments on his mortgage loan, BRFkredit makes payments to the bond holder with funds based on the assets that form the underlying security for the bond series in question.
- **Minimum requirements on capital base:**
The mortgage credit bonds issues are secured on the assets, including mortgage deeds and other forms of security, and personal liability of the borrowers as stipulated for each individual bond series. As additional security, BRFkredit's other assets will serve in compliance with S.31 of the Danish Mortgage Credit Loans and Mortgage credit bonds Act. Bonds may thus be issued either with security in the assets that belong to a separate series reserve fund (a capital centre), or they may be issued with security in the assets that do not belong to other capital centres (the General Capital Centre). A capital centre must have a capital base that meets the legal requirements in regard to capital base; at the time of writing the requirements are an amount corresponding to 8 per cent of the risk-weighted assets. The capital base consists of core capital and supplementary capital in compliance with the Danish Financial Services Act. In the event that the capital base of a capital centre falls below the statutory minimum, BRFkredit must transfer additional funds to this capital centre, provided that in doing so BRFkredit does not bring the capital base of the General Capital Centre Below the statutory requirements. BRFkredit may remove excess capital base from a capital centre, provided that in doing so BRFkredit does not bring the capital base of the General Capital Centre Below the statutory requirements.
- **Suspension of payments and compulsory liquidation:**
In the event that BRFkredit suspends payments or is subjected to a liquidation order, no funds can be transferred between the capital centres in the mortgage credit institution. In the event of suspension of payments, BRFkredit shall to the widest possible extent continue to meet its payment obligations towards the holders of issued mortgage credit bonds and other securities. Similarly, the liquidator shall, in the event of liquidation, to the widest possible extent continue or resume the honouring of BRFkredit's payment obligations towards the holders of issued mortgage credit bonds and other securities. Holders of issued mortgage credit bonds shall be considered secured creditors in the estate in liquidation. The estate

in liquidation cannot honour payments on issued mortgage credit bonds or other securities at an earlier date than what the holders of such securities are entitled to. Holders of issued mortgage credit bonds and other securities cannot claim that a liquidation order gives them any right to early payment of BRFkredit's obligations.

- The sensitivity of the capital base:

The capital base of BRFkredit is at all times dependent on the development in BRFkredit's results, including losses and provisions for loans and mortgages, operating profit, profit from affiliated companies and associated companies, the return on the securities portfolio of the company, the distribution of dividend and repurchase of own shares, BRFkredit's possible increase or reduction of its share capital, BRFkredit's possible raising or repayment of hybrid core capital or subordinated loan capital. The development in BRFkredit's results is furthermore dependent on the operational risks of BRFkredit, which would ia. comprise losses due to insufficient internal procedures, erroneous systems and fraud.

- Retention of tax on mortgage payments made:

Payments on the bonds (coupon interest and drawing amounts) may be reduced or retained, in the event that Denmark introduces retention of taxable income (income tax at the source) or the like.

- Force majeure:

The rights holder of mortgage credit bonds and other securities may – due to regulatory requirements, actual or imminent acts of war, rebellion, civil unrest, natural disasters, strikes, lockout, boycott and blockade, irrespective of whether BRFkredit itself is part of such a conflict, including part-affected of BRFkredit's functions – risk suffering a loss, e.g. in connection with late payment due to the circumstances mentioned. BRFkredit shall not be held liable for any damage caused by the circumstances mentioned.

3.2. Risk factors pertaining to the offered bonds

The following overview of the risk factors affecting the offered bonds is neither exhaustive nor final.

Special attention should be paid to the following circumstances:

- The market price of the bonds may change while the offer is open.
- The volume of bonds in circulation may rise and fall while the offer is open, just as it may fall after the expiry of the offer.
- Future payments (coupon interest and drawings) on bonds with regular repayments will be affected by future issues and any future fixing of rates in the same bond series.
- Future payments on the bonds (coupon interest and drawings) can be affected by extraordinary drawings if borrowers are given the opportunity to make extraordinary repayments. The possibility and risk of extraordinary repayments by the borrowers (prepayment risk) may affect the price of the bonds and may also affect the risk profile of the bonds (in terms of duration and convexity).
- Payments on the bonds may be reduced or withheld if Denmark introduces coupon tax, retention of taxable income (income tax at the source) or the like.
- The bonds would be part of BRFkredit's estate in liquidation, in which case the holders of mortgage credit bonds would be secured creditors in the estate in liquidation.
- The bonds are not issued with a guarantee from any third party, including the Danish government or other authorities.

4. Description of the issuer and the terms and conditions for the offered bonds

4.1. Responsible persons

4.1.1. Responsibility for the prospectus

BRFkredit a/s
Klampenborgvej 205
DK-2800 Kgs. Lyngby
Denmark

4.1.2. Declaration in connection with the prospectus

This prospectus has been drawn up by BRFkredit a/s. In this connection, the Management has made the following statement:

"We hereby declare that to the best of our knowledge the information provided in this prospectus is correct and that the prospectus vitiated by omissions, which might deteriorate the picture the prospectus is intended to provide, including the fact that all relevant information in minutes of board meetings, audit minutes and other internal documents is included in the prospectus."

Kgs. Lyngby, 15 June 2005

Board of Directors of BRFkredit a/s:

Oluf Engell
Chairman

K. Koch-Jensen
Deputy chairman

Troels Behr

Aksel Nissen

Kurt Bligaard Pedersen

Lars Munch

Laila Busted
Elected by staff

Thomas Sandelius
Elected by staff

Jan Frederiksen
Elected by staff

Board of Management of BRFkredit a/s:

Sven A. Blomberg
President and CEO

Jes Damsted
Executive vice president

Carsten Tirsbæk Madsen
Executive vice president

4.2. Information about the issuer

4.2.1. Name, registered office, shareholders and object

The issuer is:

BRFkredit a/s

Klampenborgvej 205

DK-2800 Kgs. Lyngby

Denmark

Telephone (+45) 45 93 45 93

Telefax (+45) 45 93 45 22

E-mail brfkredit@brf.dk

Website <http://www.brfkredit.com>

CVR No. 13409838

The registered office of BRFkredit is in the municipality of Lyngby-Taarbæk.

BRFkredit is a wholly owned subsidiary company of BRFholding a/s, which is wholly owned by BRF-fonden. The share capital of BRFkredit amounts to DKK 306,480,000. For further information, cf. the Articles of Association of BRFkredit.

The object of BRFkredit is to undertake mortgage lending and other activities, which are legal under the existing legislation for Danish mortgage credit institutions. The term mortgage credit covers the granting of loans against a registered mortgage on real property.

BRFkredit has an authorisation from the Danish Financial Supervisory Authority to carry out its activities under the Danish Financial Services legislation.

4.2.2. Board of Directors and Board of Management of BRFkredit

Board of Directors:

Oluf Engell, chairman

K. Koch-Jensen, deputy chairman

Troels Behr

Aksel Nissen

Kurt Bligaard Pedersen

Lars Munch

Laila Busted, elected by staff

Thomas Sandelius, elected by staff

Jan Frederiksen, elected by staff

Board of Management:

Sven A. Blomberg, president and CEO

Jes Damsted, executive vice president

Carsten Tirsbæk Madsen, executive vice president

Information about directorships and executive positions held by BRFkredit's Board of Directors and Board of Management can be seen in note 39 of BRFkredit's annual report for 2004.

4.2.3. Declaration regarding conflicts of interests

There are no conflicts of interests between the obligations of the members of the Board of Directors and the Board of Management towards BRFkredit and the obligations that they have taken upon themselves due to their other interests and obligations.

4.2.4. Working practices of the Board of Directors

The Board of Directors of BRFkredit has not set up an audit committee.

The Board of Directors of BRFkredit has made no statements about the observance of corporate governance standards, since this is not mandatory in Denmark.

4.3. Auditors

4.3.1. Name and address of the auditors of the issuer

The external auditor elected at the annual general meeting in BRFkredit:

PricewaterhouseCoopers, Statsautoriseret Revisionsinteressentskab

Strandvejen 44, DK-2900 Hellerup, telephone (+45) 39 45 39 45, telefax (+45) 39 45 39 87

State-Authorised Public Accountant Kim Fücksel

BRFkredit has an internal audit department reporting directly to the Board of Directors of BRFkredit. This department is headed by Arne List.

Neither the external auditor nor the internal audit department has carried out an examination of or made declarations about this prospectus.

4.3.2. Changes to audit practices

At the annual general meeting in BRFkredit on 26 April 2005, a proposal for changes to the Articles of Association of the company was put forward and approved. One of the points approved was that the company accounts shall be audited by at least one state-authorized public accountant against the previous required number of two. This change is solely an adjustment in compliance with the Danish Financial Services Act.

4.4. Financial information

4.4.1. Financial information and expected development

BRFkredit prepares one set of financial statements for BRFkredit a/s and one set for the BRFkredit Group. We refer to the BRFkredit's annual reports for 2003 and 2004 and to stock exchange announcements Nos. 02/2004 and 02/2005 about annual report of financial information and expected development.

4.4.2. Declaration regarding trend information and capital structure

Since the publication of the most recent annual report, no events have occurred that will to any noticeable degree affect the assessment of the solvency, capital structure or expected development of BRFkredit.

4.4.3. Declaration regarding the auditing of historical financial information

BRFkredit's annual reports for 2003 and 2004 have been audited by BRFkredit's auditors in compliance with the Danish statutory requirements pertaining to financial reporting.

4.4.4. Declaration regarding lawsuits and arbitration proceedings

BRFkredit is not part to any lawsuits or arbitration proceedings that could have any significant influence on the financial position or results of BRFkredit.

4.4.5. Declaration regarding obligations

There are no contracts or other obligations that are not entered into as part of the ordinary business of BRFkredit, and which could affect BRFkredit's ability to meet its obligations towards the holders of the issued bonds.

4.5. BRFkredit's activities and market

BRFkredit began its mortgage credit activities in 1959 under the name of Byggeriets Realkreditfond (BRF) (The Housing Mortgage Fund). The activities of the Fund were in December 1989 transferred to BRFkredit, and at the same time the Fund changed its name to BRFfonden.

In 1995, BRFkredit established the bank BRFbank, which is today a wholly owned subsidiary of BRFkredit. The object of the bank is to support the activities of BRFkredit by offering products to supplement the mortgage loans in connection with new building projects and property transactions as well as in connection with the re-mortgaging of existing home loans.

In addition to this, BRFkredit has equity investments in other subsidiary companies and associated companies that carry out activities, which support the activities of BRFkredit and the co-operation with BRFkredit's loan providers.

For additional, in-depth information about the BRFkredit Group, cf the annual report for 2004.

Business concept

BRFkredit offers financial solutions and other services to clients in relation to real property. In its capacity of being owned by a foundation and being independent of a bank, BRFkredit must guarantee inexpensive housing finance and provide safe investment opportunities to bond holders.

It is the aim of BRFkredit to generate earnings that are sufficiently high to ensure a healthy and competitive development of the company. This may be achieved via the access to competitive funding in the mortgage bond market and consequently through the possibility of offering customers favourable loan offers; it may also be achieved by BRFkredit's focus on growth in low-risk lending segments.

BRFkredit places considerable emphasis on the security of investors; one of its independent goals is to maintain a suitable excess cover so that BRFkredit may at all times be considered a gilt-edged issuer. These principles are intended to ensure that BRFkredit will at all times have access to competitive funding.

A profitable growth to the portfolio within selected market segments is a goal that BRFkredit pursues through its competitive product range and the continuous strengthening of BRFkredit's distribution power and by having particular focus on risk management.

BRFkredit's activities

BRFkredit focuses on granting loans to residential properties and to office and shop premises. Loans to residential properties, including owner-occupied homes, co-operative homes, rental homes and publicly subsidised housing projects, make up by far the bulk of BRFkredit's total loan portfolio, whereas loans to office and shop premises account for a smaller part.

Up till now, BRFkredit has granted few loans to manual or manufacturing industry properties and agricultural properties.

Loans to owner-occupied homes account for around half of BRFkredit's loan portfolio. The distribution of loans and sale of services are targeted at future and present homeowners and comprise standardised solutions. BRFkredit considers it important to create value for its customers by means of professional counselling and service.

Apart from this, BRFkredit arranges finance and sales to advisors and owners of private rental housing properties, to non-profit housing associations and co-operative housing associations as well as to office and shop premises. In co-operation with FIH Erhvervsbank (FIH corporate bank), BRFkredit offers loans to customers in the manufacturing and manual industries segment where FIH provides BRFkredit with guarantees aimed at reducing BRFkredit's risk on these loans. The customers are offered tailored financial solutions, which may comprise mortgage credit loans as well as bank loans.

BRFkredit has invested considerable resources in systems development to increase the flexibility in the handling of loans and loan offers, irrespective of whether the customer has contacted an advisor, an estate agent, a bank, has used the website or has contacted BRFkredit directly.

BRFkredit's mortgage loans are provided via a long number of sales channels and partnerships, and it is the strategy of BRFkredit to expand these partnerships on a current basis. BRFkredit is co-operating with among others the estate agency chains of EDC and SAFE Mæglerne. BRFkredit has also entered into partnerships with a number of banks, i.e. FIH, Handelsbanken/Midtdank, Lån & Spar Bank and Alm. Brand Bank about arrangement of BRFkredit loans. On top of this, loans are also arranged via other advisors, via BRFkredit's website and via direct sale by BRFkredit.

BRFkredit's capital structure

BRFkredit considers it important to have a suitable excess cover to secure its business possibilities of continuing to operate in a market with fluctuating economic trends. The excess cover also helps secure the bondholders to the widest possible extent so that BRFkredit may continue to fund mortgage loans for its customers at competitive prices.

We refer to notes Nos. 2 and 28 in the annual report of BRFkredit for 2004 for further information about the size of BRFkredit's capital base, the composition of the capital base distributed on core capital and supplementary capital as well as the capital adequacy rate.

The mortgage credit market in Denmark

Since 1993, the mortgage credit market in Denmark has been showing solid growth against a backdrop of falling interest rates and rising property prices and the consequently modest arrears and loss amounts. Prior to 1993, however, there was a six-year period of falling property prices and a higher rate of arrears and losses, which were primarily due to a considerable reduction in the taxable value of private individuals' right to deduct interest payments on loans and the resulting increasing housing costs for the homeowners.

Over the same period, the Danish mortgage credit institutions have gone from being controlled by the borrowers or being owned by foundations to the present status where most mortgage credit institutions are owned by or affiliated to banks. BRFkredit has remained independent and has been focusing on product development and on the strengthening of its distribution power through partnerships and alliances.

BRFkredit has been able to maintain its market share of around 10 per cent in a period characterised by intensifying competition between loan providers, which has led to significant shifts in market share in the Danish mortgage credit market.

Traditionally speaking, mortgage credit financing in Denmark has been based on the issuance of long bonds, but the re-introduction of adjustable rate loans in the mid-1990s was highly successful in giving the customers the possibility to finance their loans on the basis of short rates, which have been falling to historically low levels since the year 2000.

The development of new loan products based on variable interest rates, caps and the possibility of offering borrowers an interest-only period for up to 10 years of the lifetime of the loan have all helped increase the market for mortgage credit loans beyond the traditional housing finance purposes and have thus increased the direct competition with loan products offered by the banks, which have traditionally been operating with higher interest rates than the mortgage credit institutions.

Legal foundations

BRFkredit's activities are regulated through legislation, and the legislation determines how BRFkredit can fund mortgage credit loans, just as the legislation sets limits for the size of the individual loans and commitments; repayment profiles; foreign exchange, interest and liquidity risk, just as the legislation determines the capital adequacy requirements of BRFkredit.

The following is a non-exhaustive overview of the main features of the Danish legislation that regulates the issuance of mortgage credit bonds and the operations of the mortgage credit institution.

Balance principle

It must be possible on a daily basis to calculate the differences between future payments due on issued mortgage bonds, other securities and financial instruments and future payments receivable on mortgages, financial instruments and placings; it must be possible to make the daily calculations on an accumulated, discounted basis for all future payments due and receivable.

Any future liquidity deficit for the mortgage credit institution resulting from a situation where payments due exceed payments receivable, cannot exceed the following amounts seen in relation to the capital base of the mortgage credit institution:

- 1) 25 per cent in the years 0-3,
- 2) 50 per cent in the years 4-10 and
- 3) 100 per cent as from and including year 11.

Any interest rate risk incurred by the mortgage credit institution due to the mentioned differences in payment flows can at no time exceed an amount corresponding to 1 per cent of the capital base of the mortgage credit institution. The term differences in payment flows do not cover payment surpluses arising when the debtor makes his repayments or parts thereof at an earlier date than the date for payment by the mortgage credit institution to the holders of the underlying bonds, when the customer is not entitled to compensatory payment. Interest rate risk on the assets, liabilities and off-balance sheet items of the mortgage credit institution cannot exceed 1 per cent of the capital base of the mortgage credit institution. The interest rate risk on the securities portfolio of the mortgage credit institution cannot exceed 8 per cent of the capital base of the mortgage credit institution.

Exchange rate risk on the assets, liabilities and off-balance sheet items of the mortgage credit institution cannot exceed 0.1 per cent of the capital base of the mortgage credit institution. Any exchange rate risk is calculated by means of exchange rate indicator 2.

Placement of liquidity

A mortgage credit institution shall as a minimum have funds invested in listed bonds calculated at market value corresponding to 60 per cent of the statutory capital base of the mortgage credit institution.

Capital adequacy

The issuer must have a capital base that amounts to not less than 8 per cent of the risk-weighted assets. This demand applies to both the issuer as a whole, to the General Capital Centre and to the individual capital centres of the issuer. For the issuer as a whole, the capital base shall amount to not less than DKK 150m.

Lending limits (Loan-to-Value, LTV)

Within an LTV of 80 per cent, loans may be granted to the following property categories:

- 1) All-year owner-occupied homes,
- 2) Privately owned co-operative homes,
- 3) Private rental homes,
- 4) Non-profit homes,
- 5) Homes aimed specifically at young people,
- 6) Homes aimed specifically at elderly people etc. and
- 7) Properties for social, cultural and educational purposes.

Within an LTV of 60 per cent, loans may be granted to the following property categories:

- 1) Weekend cottages,
- 2) Office and business premises,
- 3) Properties for manual and manufacturing industries and
- 4) Collective energy plants.

Within an LTV of 40 per cent, loans may be granted to other property types, including unbuilt sites. For the establishment of non-profit homes, the LTV may be raised against a guarantee for that part of the loan, which exceeds 65 per cent. In general, no loans may be granted, which exceed the limits stated, irrespective of whether a guarantee is given for that part of the loan that exceeds the LTV limit. Within an LTV of 70 per cent, loans can be granted to agricultural and forestial properties, market gardens etc.

Repayment profile and loan lifetimes

The maximum lifetime for a mortgage credit loan is 30 years. However, the maximum lifetime is 35 years for loans to non-profit homes, homes aimed specifically at young people and privately owned co-operative homes, provided that the loan in question is granted on the basis of a guarantee commitment issued under the Danish Subsidised Housing & Subsidised, Private Housing Societies etc. legislation. When the lifetime of the loan is determined, the anticipated deterioration of the value of the mortgaged property as well as the repayment profile on the loan shall be taken into consideration.

Loans to all-year owner-occupied homes and weekend cottages may – irrespective of the degree of security offered – not be granted in such a way that they are repaid more slowly than a 30-year loan, which is repaid over its lifetime with repayment amounts that make up a fixed percentage of the principal amount (annuity loans). Within the lifetime of the loan, the minimum requirement in regard to the repayment profile may be deviated from for a period of up to 10 years, in due consideration of the anticipated deterioration in value of the mortgaged property.

Loans granted with adjustable interest rates are financed through the issuance of one or more mortgage credit bonds that together cover the fixed-interest period agreed for the loan in question. At the expiry of a fixed-interest period, the loan is re-financed through the issuance of new bonds. The re-financing will continue until the loan is prepaid or matures. The customer can choose the length of the fixed-interest period on the loan. In connection with the re-financing of adjustable rate mortgage loans, BRFkredit determines the principles for the sale of the bonds, e.g. that the sale may take place via one or more auctions or on tap, just as BRFkredit determines which bonds to offer and when they are offered.

4.6. Rating

BRFkredit has obtained the following ratings from Moody's Investors Service:

- Mortgage credit bonds issued from BRFkredit's Capital Centre B: Aa1
- Mortgage credit bonds issued from BRFkredit's General Capital Centre: Aa2
- Issuer rating for BRFkredit: A2
- Rating of subordinated loan capital issued by BRFkredit: A3

The said ratings have not been changed since they were first awarded. BRFkredit is under no obligation to be rated.

Stock exchange announcements from BRFkredit as well as copies of press releases from Moody's Investors Services can be found on the website of BRFkredit under the item Investors.

4.7. Available information about the issuer

The following documents are available on the website of BRFkredit under the item Investors:

- Articles of Association for BRFkredit a/s
- Regulations for BRFkredit a/s' lending activities and issuance of bonds
- Annual reports and preliminary announcements of financial statements, including interim announcements
- Stock exchange announcements
- Copies of press releases from Moody's Investors Service

4.8. Information about the offered bonds

4.8.1. Reasons behind the offer

The proceeds from the issue will be used to finance or re-finance mortgage credit loans granted by BRFkredit. The issuance will take place on a current basis as the financed or re-financed loans are paid to the borrowers, or upon the entering-into of fixed-price agreements for the payment or re-financing of financed loans to the borrower, or upon the arrangement of an auction, or upon a block issue aimed at financing expected lending or the expected re-financing of loans.

4.8.2. Identification of bonds

The offered bonds can be identified by means of a securities code or ISIN code as well as through the name of the series. We refer to the final terms and conditions for the indication of securities codes, ISIN codes and names of series.

4.8.3. Governing law

The offered bonds are mortgage credit bonds as defined in the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act. The term mortgage credit bonds covers negotiable bonds from a bulk issue or investment securities issued as part of mortgage credit activities under the same Act and which are publicly listed on a stock exchange. The bonds are thus regulated by the legislation in force at any time, the Articles of Association of BRFkredit in force at any time, as well as by the Regulations for BRFkredit a/s' lending activities and issuance of bonds as passed by the Board of Directors of BRFkredit.

We refer to the Articles of Association of BRFkredit and to the Regulations for additional information.

4.8.4. Registration

The bonds are issued electronically and are registered with VP Securities Services, whose registration shall at all times be considered evidence of ownership of the nominal amount in question. No physical securities are issued.

4.8.5. Currency

For each individual bond series, it is determined in which currency the bonds are to be denominated. For each individual bond series, the currency is stated in the final terms and conditions.

4.8.6. Order of priority of creditors

The issued bonds are secured against that part of BRFkredit's assets, including mortgages on real property and other forms of security, and the personal liability of the borrowers, which is determined for each individual bond series. Further collateral is provided by the other assets of BRFkredit in compliance with S.31 of the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act.

Holders of issued mortgage credit bonds are entitled to compensation via the said assets ahead of other creditors in the event of the liquidation of the issuer as specified in Chapter 4 of the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act.

4.8.7. Rights

The issued bonds are non-callable for the creditor.

For each individual bond series, the final terms and conditions determine whether the bonds are callable and whether notice may be given by the borrower to cancel the loan at a term through prepayment.

4.8.8. Coupon rate

For each individual bond series, the final terms and conditions determine the coupon rate, which may be either fixed, including zero, or variable, or it may be changed from variable coupon rate to fixed coupon rate, including zero, or it may be changed from fixed coupon rate, including zero, to variable coupon rate. For each individual bond series issued with a variable coupon rate the final terms and conditions determine how the rate is fixed – including which reference rate or index is used in the determination – when and for what period the rate is fixed, as well as how the coupon rate is to be determined in the event that the relevant reference rate or the relevant index should no longer be published.

For each individual bond series, the final terms and conditions determine the settling periods. In the event that the date in question is a Saturday, a Sunday or a holiday, payment shall be due on the next banking day.

4.8.9. Maturity and repayment

For each individual bond series, the final terms and conditions determine how the bonds are to be amortised.

For loans granted, the repayments are determined in such a way that interest and repayment amounts are covered on the mortgage credit bonds issued to finance the loans.

For each individual bond series, the final terms and conditions determine the opening date, the closing date and the maturity date.

Amortisation of the loans takes place either according to a drawing made by BRFkredit whereupon the bonds are repaid to the holders at a pre-determined price at a repayment term for the mortgage credit bonds in question. In the drawing it is determined which shares of the issued mortgage credit bonds are to be repaid to the holders. Notice of the drawing shall be published immediately after the drawing has taken place, just as the notice shall inform holders that the result of the drawing may be obtained from BRFkredit. For each individ-

ual bond series, the final terms and conditions determine whether the bond series is callable, so that extraordinary drawings of bonds in the said bond series may take place in connection with the prepayment of loans.

BRFkredit furthermore reserves the right to amortisation by annulment after repurchases in so far as that part of the amortisation of the mortgage credit bonds is concerned, which exceeds the ordinary amortisation calculated by BRFkredit. BRFkredit furthermore reserves the right to offer the borrowers in a bond series that they may prepay their loans without at the same time arranging a drawing or annulment of mortgage credit bonds in a volume that corresponds to the bonds issued when the loan was taken out.

For each individual bond series, the final terms and conditions may determine that the ordinary repayment of funded loans can take place as annuity loans or bullet loans (in which the borrower pays interest but no capital until maturity) upon the choice of the borrower.

Otherwise amortisation shall take place through repayment on the date of maturity.

4.8.10. Determination of yield-to-maturity (YTM)

The YTM of the offered bonds shall depend on both the sales price at the time of issue, the time of issue compared to the maturity date of each individual bond and the exact composition of the repayment sequences of the individual bonds, which may be changed after the date of issuance. For bonds which may be prepaid following the extraordinary cancellation of the underlying loan (callable bonds), the YTM, which adjusts for the risk of prepayment, may only be calculated as an approximation.

4.8.11. Representation

There is no representation of investors for holders of mortgage credit bonds issued by BRFkredit.

4.8.12. Authorisation

According to the Articles of Association, the Board of Directors of BRFkredit makes decisions about the terms and conditions in force at all times in regard to bonds, mortgage credit bonds and other securities, which are or will be issued by the company. The Board of Directors has decided to allow issuance in the bonds mentioned in this prospectus. The Board of Directors has furthermore authorised the Board of Management to open and issue new series of mortgage credit bonds and to issue the relevant prospectuses, draw up supplements or amendments to prospectuses and to submit the final terms and conditions.

4.8.13. Negotiability

Under the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act, mortgage credit bonds shall be listed on a stock exchange, for the time being the OMX Exchange, Copenhagen. Mortgage credit bonds are freely negotiable.

4.8.14. Taxation

For the time being, tax at source is not withheld in Denmark of coupon interest and drawings of mortgage credit bonds.

For each individual bond series, the final terms and conditions determine whether the bond series in question is considered 'blue-stamped' (fulfilling the minimum interest requirement) or 'black-stamped' (not fulfilling the minimum interest requirement) at the time of issuance under the Danish Taxation of Capital Gains legislation.

4.9. Information about offered volumes, settlement dates and turnover

4.9.1. Progress and time of the issue

During the open period for each individual bond series, bonds will be offered and sold, either direct in the market (tap issue) or by auction, including block issues. During the open period, prepayments as well as annulment of bonds in BRFkredit's portfolio may take place, just as payments to bondholders are made on a current basis through the drawing of bonds if this is stipulated in the securities note for the bond in question. This means that the volume in circulation may both rise and fall during the open period of the bond.

The open period runs from the opening date and to the mentioned closing date at the latest. After the closing, no more bonds will be issued in the bond series. There is no cancellation right attached to the investment in mortgage credit bonds.

The final terms and conditions are not known until the offer has expired.

4.9.2. Size of the issue

The final need for bonds to be issued is not known until the bond series closes. Information about the volume in circulation can at all times be obtained from the OMX Exchange, Copenhagen, which places such information at public disposal ia. on its website <http://www.cse.dk>.

4.9.3. Payment and delivery

Delivery and clearing take place via VP Securities Services to the custody account of the investor. In general the mortgage credit bonds are traded with three banking days as value date, but this rule may be deviated from.

4.9.4. Publication of offer

In connection with direct sale in the market, the volume offered is not necessarily advertised in advance. In connection with auction sale, the terms and conditions as well as the volume offered shall be published prior to the auction. BRFkredit reserves the right to cancel or adjust the volume offered at advertised auctions. After an auction, the result will be published.

4.9.5. Rights

Existing bondholders shall have no special rights in connection with auctions and tap issues.

4.9.6. Distribution

In connection with direct sale in the market, the allotment of bonds takes place on the basis of demand and the prices offered. In connection with issues, which are sold by auction, pro-rata allotment may come into the picture if the offers to buy exceed the volume of bonds that BRFkredit wishes to offer.

4.9.7. Determination of prices

Prices are determined on market terms based on bids and offers. Information about prices may be obtained from the OMX Exchange, Copenhagen, which makes such information available ia. on its website <http://www.cse.dk>.

4.9.8. Payment handling and custody accounts

The bonds are registered with VP Securities Services, whose registration shall at all times serve as evidence of ownership of the nominal amount in question. The bonds are placed in custody with custodian banks or with a clearing centre attached to VP Securities Services. The bonds may be placed in custody with BRFkredit. VP Securities Services distributes payments of coupon interest and bonds drawn to the account of the investor via the custodian bank or clearing centre of the investor.

4.9.9. Issue managers

The bonds under this prospectus are offered directly by the issuer. The sale of the offered bonds is not being managed or guaranteed by any third party.

4.9.10. Turnover

The bonds are negotiable securities. The bonds mentioned in this prospectus are already listed on the OMX Exchange, Copenhagen. In connection with the opening of new bonds, BRFkredit will request that these bonds may also be listed on the OMX Exchange, Copenhagen. BRFkredit may determine to list the bonds on other stock exchanges.

For each individual bond series, the final terms and conditions determine the contract size and currency in which the bonds are to be denominated.

4.9.11. Other issues

Mortgage credit bonds issued by BRFkredit are only listed on the OMX Exchange, Copenhagen. At present, BRFkredit has 317 mortgage credit bonds listed on the OMX Exchange, Copenhagen.

Mortgage credit bonds issued by other Danish mortgage credit institutions are also listed on the OMX Exchange, Copenhagen. Only mortgage credit institutions are allowed to issue mortgage credit bonds. Mortgage credit institutions are financial companies that undertake activities in Denmark under authorisation from the Danish Financial Supervisory Authority in compliance with the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act.

4.9.12. Brokers in the secondary market

The bonds described in this prospectus may be comprised by a market maker scheme agreed among traders on the OMX Exchange, Copenhagen, which places the participants in the scheme under an obligation to make bid and offer prices for a given volume of certain bonds. BRFkredit itself is not a participant to the mentioned scheme, nor has BRFkredit made agreements with any third party, including traders on the OMX Exchange, Copenhagen, about securing prices or bids and offers in the bonds in this prospectus.

BRFkredit itself participates in the trading in mortgage credit bonds on the OMX Exchange, Copenhagen, and may in periods have put forward conditional purchase and sale orders in certain bonds to traders on the OMX Exchange, Copenhagen.

5. Cross references between Regulation 809/2004/EC and information in this prospectus

Item in Regulation 809/2004/EC	Section in this prospectus	Comments
Annex IV		
1.1	4.1.1	
1.2	4.1.2	
2.1	4.4.1	
2.2	4.4.2	
3.1	4.4.1	
3.2	4.4.1	
4	3.1	
5.1.1	4.2.1	
5.1.2	4.2.1	
5.1.3	4.2.1	
5.1.4	4.2.1	
5.1.5	4.4.2	
5.2	4.4.2	
6	4.5	
7	4.5	
8	4.4.2	
9	Omitted	This information is voluntary
10.1	4.2.2	
10.2	4.2.3	
11.1	4.2.4	
11.2	4.2.4	
12	4.2.1	
13.1	4.4.1	
13.2	4.4.1	
13.3	4.4.3	
13.4	4.4.1	
13.5	Omitted	Not relevant to the issue
13.6	4.4.4	
13.7	4.4.2	
14.1	4.2.1	
14.2	4.2.1	
15	4.4.5	
16	Omitted	Not relevant to the issue
17	4.7	

Item in Regulation 809/2004/EC Annex V	Section in this prospectus	Comments
1.1	4.1.1	
1.2	4.1.2	
2	3.2	
3.1	4.2.3	
3.2	4.8.2	
4.1	4.8.3	
4.2	4.8.4	
4.3	4.8.5	
4.4	4.8.6	
4.5	4.8.7	
4.6	4.8.8	
4.7	4.8.9	
4.8	4.8.10	
4.9	4.8.11	
4.10	4.8.12	
4.11	4.8.13	
4.12	4.9.1	
4.13	4.8.14	
4.14	4.8.15	
5.1.1	4.9.1	
5.1.2	4.9.2	
5.1.3	4.9.1	
5.1.4	Omitted	Not relevant to the issue
5.1.5	Omitted	Not relevant to the issue
5.1.6	4.9.3	
5.1.7	4.9.4	
5.1.8	4.9.5	
5.2	4.9.6	
5.3.1	4.9.7	
5.4.1	4.9.9	
5.4.2	4.9.8	
5.4.3	4.9.9	
5.4.4	4.9.9	
6.1	4.9.10	
6.2	4.9.11	
6.3	4.9.12	
7.1	Omitted	Not relevant to the issue
7.2	Omitted	Not relevant to the issue
7.3	Omitted	Not relevant to the issue
7.4	Omitted	Not relevant to the issue
7.5	4.6	

6.

Schedule of documents that are part of this prospectus by reference

BRFkredit a/s – Annual report 2003

- Section 4.4.1 in the prospectus refers to the above annual report for accounting information and information about the expected development

BRFkredit a/s – Annual report 2004

- Section 4.2.2 in the prospectus refers to the above annual report for information about directorships and executive positions
- Section 4.4.1 in the prospectus refers to the above annual report for accounting information and information about the expected development
- Section 4.5 in the prospectus refers to the above annual report for further information about the BRFkredit group structure
- Section 4.5 in the prospectus refers to the above annual report for information about capital base etc.

BRFkredit a/s – Stock exchange announcement 02/2004 – preliminary announcement of financial statement 2003

- Section 4.4.1 in the prospectus refers to the above announcement for accounting information and information about the expected development

BRFkredit a/s – Stock exchange announcement 02/2005 – preliminary announcement of financial statement 2004

- Section 4.4.1 in the prospectus refers to the above announcement for accounting information and information about the expected development

Articles of Association for BRFkredit a/s

- Section 4.2.2 in the prospectus refers to the Articles of Association for further information about BRFkredit's situation according to the Articles of Association, including the terms and conditions pertaining to shareholders and voting rights on shares etc.
- Section 4.8.3 in the prospectus refers to the Articles of Association for further information about terms and conditions determined by the Board of Directors of BRFkredit

Regulations for BRFkredit a/s' lending activities and bonds. The Regulations are annexed as Annex A to this prospectus.

- Section 4.8.3 in the prospectus refers to the above Regulations for further information about terms and conditions determined by the Board of Directors of BRFkredit

All the above documents are available from the registered office of the company and from the company's website under the item Investors. In addition, annual reports and financial statements from previous years are accessible from the same website. Furthermore, historical stock exchange announcements by the company are also accessible from the same website.

7. Final terms and conditions for bonds already in the market

Mortgage credit bonds offered from BRFkredit's Capital Centre B.

Series 111.B

Series 411.B

Series 321.B.RTL

Series 321.B.EUR

Series 142.B

Series 442.B

Series 154.B

Series 454.B

Mortgage credit bonds offered from BRFkredit's General Capital Centre.

Series 321.RTL

Series 321

Series 321. EUR

7.1. Final terms and conditions for bonds already in the market, series 111.B

Interest	The bonds carry a nominal rate of interest. Interest is paid with one fourth of the yearly interest on 1 January, 1 April, 1 July and 1 October for the preceding quarter. Interest payments end on the term day when the bonds are drawn. The interest rate meets the conditions of the Danish Act on the Taxation Gains and Losses on Claims, Debt and Financial Contracts in relation to tax exemption for capital gains (the minimum interest rules).
Amortisation	The bonds are amortised by drawing at par parallel to the ordinary repayment as annuity loans of the funded loans. Prepayments of loans will lead to either an extraordinary drawing of bonds or to the annulment of bonds from BRFkredit's own portfolio. The bonds will be fully amortised not later than on their date of maturity.
Capital centre	Collateral for the bonds consists of that part of BRFkredit's assets, which is placed in Capital Centre B, including mortgages on real property, other forms of security and the personal liability of the borrowers. Further collateral stems from the remaining assets of BRFkredit under S.31 of the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act.
Denomination	DKK 0.01
Callability	The bonds are callable, and notice may given by the borrower to cancel the loan at a term through prepayment. The bonds are non-callable on the part of the creditor.
Payments	Payments are due on the term dates 1 January, 1 April, 1 July and 1 October. If this date is a Saturday, a Sunday or a holiday, payment shall be due on the next banking day.

Bonds already in the market, series 111.B

Sec. Code	ISIN code	Name	Opening	Closing	Interest % p.a.	Interest % per term	Maturity	Max. lifetime in years for loan
935840	DK0009358400	3% 111.B 2015	13-03-2003	31-08-2005	3	0.75	01-10-2015	10
936111	DK0009361115	3% 111.B 2018	01-03-2005	31-08-2008	3	0.75	01-10-2018	10
935581	DK0009355810	4% 111.B 2015	01-03-2002	31-08-2005	4	1.00	01-10-2015	10
935603	DK0009356032	5% 111.B 2015	01-03-2002	31-08-2005	5	1.25	01-10-2015	10
936154	DK0009361545	3% 111.B 2023	20-04-2005	31-08-2008	3	0.75	01-10-2023	15
935816	DK0009358160	4% 111.B 2020	13-01-2003	31-08-2005	4	1.00	01-10-2020	15
936065	DK0009360653	4% 111.B 2023	17-01-2005	31-08-2008	4	1.00	01-10-2023	15
935697	DK0009356974	5% 111.B 2020	05-09-2002	31-08-2005	5	1.25	01-10-2020	15
935611	DK0009356115	6% 111.B 2020	01-03-2002	31-08-2005	6	1.50	01-10-2020	15
936197	DK0009361974	3% 111.B 2028	18-05-2005	31-08-2008	3	0.75	01-10-2028	20
935824	DK0009358244	4% 111.B 2025	27-01-2003	31-08-2005	4	1.00	01-10-2025	20
936138	DK0009361388	4% 111.B 2028	01-03-2005	31-08-2008	4	1.00	01-10-2028	20
935638	DK0009356388	5% 111.B 2025	01-03-2002	31-08-2005	5	1.25	01-10-2025	20
935646	DK0009356461	6% 111.B 2025	01-03-2002	31-08-2005	6	1.50	01-10-2025	20
936189	DK0009361891	3% 111.B 2038	18-05-2005	31-08-2008	3	0.75	01-10-2038	30
935883	DK0009358830	4% 111.B 2035	11-06-2003	31-08-2005	4	1.00	01-10-2035	30
936146	DK0009361461	4% 111.B 2038	01-03-2005	31-08-2008	4	1.00	01-10-2038	30
935654	DK0009356545	5% 111.B 2035	01-03-2002	31-08-2005	5	1.25	01-10-2035	30
936057	DK0009360570	5% 111.B 2038	17-01-2005	31-08-2008	5	1.25	01-10-2038	30
935662	DK0009356628	6% 111.B 2035	01-03-2002	31-08-2005	6	1.50	01-10-2035	30

7.2. Final terms and conditions for bonds already in the market, series 411.B

Interest	The bonds carry a nominal rate of interest. Interest is paid with one fourth of the yearly interest on 1 January, 1 April, 1 July and 1 October for the preceding quarter. Interest payments end on the term day when the bonds are drawn. The interest rate meets the conditions of the Danish Act on the Taxation Gains and Losses on Claims, Debt and Financial Contracts in relation to tax exemption for capital gains (the minimum interest rules).
Amortisation	The bonds are amortised by drawing at par parallel to the ordinary repayment as annuity loans of the funded loans. Repayments may be made upon the choice of the borrower under the annuity loan principle or the bullet loan principle; the latter method may, however, be used for no longer than 10 years of the lifetime of the loan. Prepayments of loans will lead to either an extraordinary drawing of bonds or to the annulment of bonds from BRFkredit's own portfolio. The bonds will be fully amortised not later than on their date of maturity.
Capital centre	Collateral for the bonds consists of that part of BRFkredit's assets, which is placed in Capital Centre B, including mortgages on real property, other forms of security and the personal liability of the borrowers. Further collateral stems from the remaining assets of BRFkredit under S.31 of the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act.
Denomination	DKK 0.01
Callability	The bonds are callable, and notice may given by the borrower to cancel the loan at a term through prepayment. The bonds are non-callable on the part of the creditor.
Payments	Payments are due on the term dates 1 January, 1 April, 1 July and 1 October. If this date is a Saturday, a Sunday or a holiday, payment shall be due on the next banking day.

Bonds already in the market, series 411.B

Sec. Code	ISIN code	Name	Opening	Closing	Interest % p.a.	Interest % per term	Maturity	Max. lifetime in years for loan
936103	DK0009361032	4% 411.B OA 2038	14-02-2005	31-08-2008	4	1.00	01-10-2038	30
935980	DK0009359804	5% 411.B OA 2035	01-10-2003	31-08-2005	5	1.25	01-10-2035	30
936073	DK0009360737	5% 411.B OA 2038	17-01-2005	31-08-2008	5	1.25	01-10-2038	30
935999	DK0009359994	6% 411.B OA 2035	21-10-2003	31-08-2005	6	1.50	01-10-2035	30

7.3. Final terms and conditions for bonds already in the market, series 321.B.RTL

Interest	The bonds carry a nominal rate of interest. Interest is paid on 1 January for the preceding year. Interest payments end on the term day when the bonds are paid out in full. The interest rate meets the conditions of the Danish Act on the Taxation Gains and Losses on Claims, Debt and Financial Contracts in relation to tax exemption for capital gains (the minimum interest rules).
Amortisation	The bonds are redeemed in full at par on the date of maturity.
Capital centre	Collateral for the bonds consists of that part of BRFkredit's assets, which is placed in Capital Centre B, including mortgages on real property, other forms of security and the personal liability of the borrowers. Further collateral stems from the remaining assets of BRFkredit under S.31 of the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act.
Denomination	DKK 0.01
Callability	The bonds are non-callable on the part of both BRFkredit and the creditor.
Payments	Payments are due on the term date 1 January. If this date is a Saturday, a Sunday or a holiday, payment shall be due on the next banking day.

Bonds already in the market, series 321.B.RTL

Sec. Code	ISIN code	Name	Opening	Closing	Interest % p.a.	Interest % per term	Maturity
935727	DK0009357279	4% 321.B.RTL 2006	20-11-2002	30-11-2005	4	4	01-01-2006
935905	DK0009359051	2% 321.B.RTL 2006	01-07-2003	30-11-2005	2	2	01-01-2006
935735	DK0009357352	4% 321.B.RTL 2007	20-11-2002	30-11-2006	4	4	01-01-2007
935921	DK0009359218	2% 321.B.RTL 2007	01-07-2003	30-11-2006	2	2	01-01-2007
935689	DK0009356891	4% 321.B.RTL 2008	15-08-2002	30-11-2007	4	4	01-01-2008
935948	DK0009359481	2% 321.B.RTL 2008	01-07-2003	30-11-2007	2	2	01-01-2008
935794	DK0009357949	4% 321.B.RTL 2009	05-12-2002	30-11-2008	4	4	01-01-2009
935956	DK0009359564	2% 321.B.RTL 2009	01-07-2003	30-11-2008	2	2	01-01-2009
935808	DK0009358087	4% 321.B.RTL 2010	05-12-2002	30-11-2009	4	4	01-01-2010
935867	DK0009358673	4% 321.B.RTL 2011	22-05-2003	30-11-2010	4	4	01-01-2011
935875	DK0009358756	4% 321.B.RTL 2012	22-05-2003	30-11-2011	4	4	01-01-2012
935832	DK0009358327	4% 321.B.RTL 2013	07-02-2003	30-11-2012	4	4	01-01-2013
935972	DK0009359721	4% 321.B.RTL 2014	27-08-2003	30-11-2013	4	4	01-01-2014
936014	DK0009360141	4% 321.B.RTL 2015	16-06-2004	30-11-2014	4	4	01-01-2015

7.4. Final terms and conditions for bonds already in the market, series 321.B.EUR

- Interest** The bonds carry a nominal rate of interest. Interest is paid on 1 January for the preceding year. Interest payments end on the term day when the bonds are paid out in full.
- Amortisation** The bonds are redeemed in full at par on the date of maturity.
- Capital centre** Collateral for the bonds consists of that part of BRFkredit's assets, which is placed in Capital Centre B, including mortgages on real property, other forms of security and the personal liability of the borrowers. Further collateral stems from the remaining assets of BRFkredit under S.31 of the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act.
- Denomination** EUR 0.01
- Callability** The bonds are non-callable on the part of both BRFkredit and the creditor.
- Payments** Payments are due on the term date 1 January. If this date is a Saturday, a Sunday or a holiday, payment shall be due on the next banking day.

Bonds already in the market, series 321.B.EUR

Sec. Code	ISIN code	Name	Opening	Closing	Interest % p.a.	Interest % per term	Maturity
935778	DK0009357782	4% 321.B.EUR 2006	20-11-2002	30-11-2005	4	4	01-01-2006
935786	DK0009357865	4% 321.B.EUR 2007	20-11-2002	30-11-2006	4	4	01-01-2007
935670	DK0009356701	4% 321.B.EUR 2008	15-08-2002	30-11-2007	4	4	01-01-2008
935964	DK0009359648	4% 321.B.EUR 2009	14-08-2003	30-11-2008	4	4	01-01-2009
936022	DK0009360224	4% 321.B.EUR 2010	16-06-2004	30-11-2009	4	4	01-01-2010

7.5. Final terms and conditions for bonds already in the market, series 142.B

Interest The bonds carry a variable rate of interest with the possibility of permanent transition to fixed interest payments. Interest is paid with one fourth of the yearly interest on 1 January, 1 April, 1 July and 1 October for the preceding quarter. Interest payments end on the term day when the bonds are drawn. The interest rate does not meet the conditions of the Danish Act on the Taxation Gains and Losses on Claims, Debt and Financial Contracts in relation to tax exemption for capital gains (the minimum interest rules).

The rate of interest on the bonds is determined half-yearly with effect from 1 April and 1 October. The interest is calculated as the non-weighted average of Danmarks Nationalbank's daily recordings of the 6-month CIBOR rate stated with four decimals over a period of five banking days, ending on the last banking day but four in March and September, respectively, rounded off to two decimals and with an additional interest added. In the event that Danmarks Nationalbank stops registering the said CIBOR rate, interest will be calculated as stated, but on the basis of the corresponding 6-month money market rate with an additional interest added. In the event that the sum of the CIBOR interest average and the additional interest equals or exceeds the guarantee rate, the interest on the bonds shall be determined as a fixed coupon rate equal to the guarantee rate for all subsequent half-year periods, beginning on the next subsequent 1 April or 1 October.

Amortisation The bonds are amortised by drawing at par parallel to the ordinary repayment as annuity loans of the funded loans. The lifetime of the loans cannot exceed 30 years. Prepayments of loans will lead to either an extraordinary drawing of bonds or to the annulment of bonds from BRFkredit's own portfolio. If the rate of interest on the bonds equals the guarantee rate, prepayment of loans may also result in extraordinary drawing of bonds. The bonds will be fully amortised not later than on their date of maturity.

Capital centre Collateral for the bonds consists of that part of BRFkredit's assets, which is placed in Capital Centre B, including mortgages on real property, other forms of security and the personal liability of the borrowers. Further collateral stems from the remaining assets of BRFkredit under S.31 of the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act.

Denomination DKK 0.01

Callability If the rate of interest on the bonds equals the guarantee rate, the bonds are callable and notice may given by the borrower to cancel the loan at a term through prepayment. The bonds are non-callable on the part of the creditor.

Payments Payments are due on the term dates 1 January, 1 April, 1 July and 1 October. If this date is a Saturday, a Sunday or a holiday, payment shall be due on the next banking day.

Bonds already in the market, series 142.B

Sec. Code	ISIN code	Name	Opening	Closing	Add. Interest in % points	Guarantee rate in % p.a.	Maturity	Max.lifetime in years for loan
936049	DK0009360497	Var. 142.B 6FF 2038	12-11-2004	31-08-2008	0.50	6	01-10-2038	30

7.6. Final terms and conditions for bonds already in the market, series 154.B

Interest The bonds carry a variable rate of interest. Interest is paid with one fourth of the yearly interest on 1 January, 1 April, 1 July and 1 October for the preceding quarter. Interest payments end on the term day when the bonds are drawn. The interest rate does not meet the conditions of the Danish Act on the Taxation Gains and Losses on Claims, Debt and Financial Contracts in relation to tax exemption for capital gains (the minimum interest rules).

The rate of interest on the bonds is determined half-yearly with effect from 1 April and 1 October. The interest is calculated as the non-weighted average of Danmarks Nationalbank's daily recordings of the 6-month CIBOR rate stated with four decimals over a period of five banking days, ending on the last banking day but four in March and September, respectively, rounded off to two decimals and with an additional interest added. In the event that Danmarks Nationalbank stops registering the said CIBOR rate, interest will be calculated as stated, but on the basis of the corresponding 6-month money market rate with an additional interest added. In the event that the sum of the CIBOR interest average and the additional interest equals or exceeds the guarantee rate, the interest on the bonds shall be determined as a fixed coupon rate equal to the guarantee rate.

Amortisation The bonds are amortised by drawing at par parallel to the ordinary repayment as annuity loans of the funded loans. The lifetime of the loans cannot exceed 30 years. Prepayments of loans will lead to either an extraordinary drawing of bonds at a rate of 105 or to the annulment of bonds from BRFkredit's own portfolio. The price at which the bonds are drawn will be a weighted average of price 100 and price 105 using the number of ordinary repayments and prepayments, respectively, as weights. The bonds will be fully amortised not later than on their date of maturity.

Capital centre Collateral for the bonds consists of that part of BRFkredit's assets, which is placed in Capital Centre B, including mortgages on real property, other forms of security and the personal liability of the borrowers. Further collateral stems from the remaining assets of BRFkredit under S.31 of the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act.

Denomination DKK 0.01

Callability The bonds are callable, and notice may given by the borrower to cancel the loan at a term through prepayment. The bonds are non-callable on the part of the creditor.

Payments Payments are due on the term dates 1 January, 1 April, 1 July and 1 October. If this date is a Saturday, a Sunday or a holiday, payment shall be due on the next banking day.

Bonds already in the market, series 154.B

Sec.code	ISIN code	Name	Opening	Closing	Add. Interest in % points	Guarantee rate in % p.a.	Maturity	Max. lifetime in years for loan
936170	DK0009361701	Var. 154.B 5CF 2038	26-04-2005	31-08-2008	0.85	5	01-10-2038	30

7.7. Final terms and conditions for bonds already in the market, series 442.B

Interest The bonds carry a variable rate of interest with the possibility of permanent transition to fixed interest payments. Interest is paid with one fourth of the yearly interest on 1 January, 1 April, 1 July and 1 October for the preceding quarter. Interest payments end on the term day when the bonds are drawn. The interest rate does not meet the conditions of the Danish Act on the Taxation Gains and Losses on Claims, Debt and Financial Contracts in relation to tax exemption for capital gains (the minimum interest rules).

The rate of interest on the bonds is determined half-yearly with effect from 1 April and 1 October. The interest is calculated as the non-weighted average of Danmarks Nationalbank's daily recordings of the 6-month CIBOR rate stated with four decimals over a period of five banking days, ending on the last banking day but four in March and September, respectively, rounded off to two decimals and with an additional interest added. In the event that Danmarks Nationalbank stops registering the said CIBOR rate, interest will be calculated as stated, but on the basis of the corresponding 6-month money market rate with an additional interest added. In the event that the sum of the CIBOR interest average and the additional interest equals or exceeds the guarantee rate, the interest on the bonds shall be determined as a fixed coupon rate equal to the guarantee rate for all subsequent half-year periods, beginning on the next subsequent 1 April or 1 October.

Amortisation The bonds are amortised by drawing at par parallel to the ordinary repayment as annuity loans of the funded loans. Repayments may be made upon the choice of the borrower under the annuity loan principle or the bullet loan principle; the latter method may, however, be used for no longer than 10 years of the lifetime of the loan. The lifetime of the loans cannot exceed 30 years. Prepayments of loans will lead to the annulment of bonds from BRFkredit's own portfolio. If the rate of interest on the bonds equals the guarantee rate, prepayment of loans may also result in extraordinary drawing of bonds. The bonds will be fully amortised not later than on their date of maturity.

Capital centre Collateral for the bonds consists of that part of BRFkredit's assets, which is placed in Capital Centre B, including mortgages on real property, other forms of security and the personal liability of the borrowers. Further collateral stems from the remaining assets of BRFkredit under S.31 of the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act.

Denomination DKK 0.01

Callability If the rate of interest on the bonds equals the guarantee rate, the bonds are callable and notice may given by the borrower to cancel the loan at a term through prepayment. The bonds are non-callable on the part of the creditor.

Payments Payments are due on the term dates 1 January, 1 April, 1 July and 1 October. If this date is a Saturday, a Sunday or a holiday, payment shall be due on the next banking day.

Bonds already in the market, series 442.B

Sec.code	ISIN code	Name	Opening	Closing	Add. interest in % points	Guarantee rate in % p.a.	Maturity	Max. lifetime in years for loan
936030	DK0009360307	Var. 442.B 6FF OA 2038	12-11-2004	31-08-2008	0.50	6	01-10-2038	30

7.8. Final terms and conditions for bonds already in the market, series 454.B

Interest	<p>The bonds carry a variable rate of interest. Interest is paid with one fourth of the yearly interest on 1 January, 1 April, 1 July and 1 October for the preceding quarter. Interest payments end on the term day when the bonds are drawn. The interest rate does not meet the conditions of the Danish Act on the Taxation Gains and Losses on Claims, Debt and Financial Contracts in relation to tax exemption for capital gains (the minimum interest rules).</p> <p>The rate of interest on the bonds is determined half-yearly with effect from 1 April and 1 October. The interest is calculated as the non-weighted average of Danmarks Nationalbank's daily recordings of the 6-month CIBOR rate stated with four decimals over a period of five banking days, ending on the last banking day but four in March and September, respectively, rounded off to two decimals and with an additional interest added. In the event that Danmarks Nationalbank stops registering the said CIBOR rate, interest will be calculated as stated, but on the basis of the corresponding 6-month money market rate with an additional interest added. In the event that the sum of the CIBOR interest average and the additional interest equals or exceeds the guarantee rate, the interest on the bonds shall be determined as a fixed coupon rate equal to the guarantee rate.</p>
Amortisation	<p>The bonds are amortised by drawing at par parallel to the ordinary repayment as annuity loans of the funded loans. Repayments may be made upon the choice of the borrower under the annuity loan principle or the bullet loan principle; the latter method may, however, be used for no longer than 10 years of the lifetime of the loan. The lifetime of the loans cannot exceed 30 years. Prepayments of loans will lead to either an extraordinary drawing of bonds at price 105 or to the annulment of bonds from BRFkredit's own portfolio. The price at which the bonds are drawn will be a weighted average of price 100 and price 105 using the number of ordinary repayments and prepayments, respectively, as weights. The bonds will be fully amortised not later than on their date of maturity.</p>
Capital centre	<p>Collateral for the bonds consists of that part of BRFkredit's assets, which is placed in Capital Centre B, including mortgages on real property, other forms of security and the personal liability of the borrowers. Further collateral stems from the remaining assets of BRFkredit under S.31 of the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act.</p>
Denomination	0.01 DKK
Callability	<p>The bonds are callable, and notice may given by the borrower to cancel the loan at a term through prepayment. The bonds are non-callable on the part of the creditor.</p>
Payments	<p>Payments are due on the term dates 1 January, 1 April, 1 July and 1 October. If this date is a Saturday, a Sunday or a holiday, payment shall be due on the next banking day.</p>

Bonds already in the market, series 454.B

Sec.codr	ISIN code	Name	Opening	Closing	Add. interest in % points	Guarantee rate in % p.a.	Maturity	Max. lifetime in years for loan
936162	DK0009361628	Var. 454.B 5CF OA 2038	26-04-2005	31-08-2008	0.85	5	01-10-2038	30

7.9. Final terms and conditions for bonds already in the market, series 321.RTL

- Interest** The bonds carry a nominal rate of interest. Interest is paid on 1 January for the preceding year. Interest payments end on the term day when the bonds are paid out in full. The interest rate meets the conditions of the Danish Act on the Taxation Gains and Losses on Claims, Debt and Financial Contracts in relation to tax exemption for capital gains (the minimum interest rules).
- Amortisation** The bonds are redeemed in full at par on the date of maturity.
- Capital centre** Collateral for the bonds consists of that part of BRFkredit's assets, including mortgages on real property, which is not placed in series (the General Capital Centre) To this should be added security in the form of public or private guarantees, other special forms of security and the personal liability of the borrowers. Further collateral stems from the remaining assets of BRFkredit under S.31 of the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act.
- Denomination** 0.01 DKK
- Callability** The bonds are non-callable on the part of both BRFkredit and the creditor.
- Payments** Payments are due on the term date 1 January. If this date is a Saturday, a Sunday or a holiday, payment shall be due on the next banking day.

Bonds already in the market, series 321.RTL

Sec.code	ISIN code	Name	Opening	Closing	Interest % p.a.	Interest % per term	Maturity
935484	DK0009354847	4% 321.RTL 2006	15-01-2001	30-11-2005	4	4	01-01-2006
935395	DK0009353955	5% 321.RTL 2006	30-08-2000	30-11-2005	5	5	01-01-2006
935514	DK0009355141	4% 321.RTL 2007	05-08-2001	30-11-2006	4	4	01-01-2007
935506	DK0009355067	5% 321.RTL 2011	26-03-2001	30-11-2010	5	5	01-01-2011

7.10. Final terms and conditions for bonds already in the market, series 321

Interest	The bonds carry a nominal rate of interest. Interest is paid with one fourth of the yearly interest on 1 January, 1 April, 1 July and 1 October for the preceding quarter. Interest payments end on the term day when the bonds are drawn. The interest rate meets the conditions of the Danish Act on the Taxation Gains and Losses on Claims, Debt and Financial Contracts in relation to tax exemption for capital gains (the minimum interest rules).
Amortisation	The bonds are redeemed in full at par on the date of maturity.
Capital centre	Collateral for the bonds consists of that part of BRFkredit's assets, including mortgages on real property, which is not placed in series (the General Capital Centre) To this should be added security in the form of public or private guarantees, other special forms of security and the personal liability of the borrowers. Further collateral stems from the remaining assets of BRFkredit under S.31 of the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act.
Denomination	0.01 DKK
Callability	The bonds are non-callable on the part of both BRFkredit and the creditor.
Payments	Payments are due on the term dates 1 January, 1 April, 1 July and 1 October. If this date is a Saturday, a Sunday or a holiday, payment shall be due on the next banking day.

Bonds already in the market, series 321

Sec.code	ISIN code	Name	Opening	Closing	Interest % p.a.	Interest % per term	Maturity
935433	DK0009354334	4% 321.s 2006	05-01-2001	31-05-2006	4	1.00	01-07-2006
935492	DK0009354920	5% 321.s 2006	07-02-2001	31-05-2006	5	1.25	01-07-2006
934682	DK0009346827	7% 321.s 2006	08-01-1996	31-03-2006	7	1.75	01-07-2006
934933	DK0009349334	6% 321.s 2007	06-01-1997	31-05-2007	6	1.50	01-07-2007
935085	DK0009350852	4% 321.s 2009	18-01-1999	31-05-2009	4	1.00	01-07-2009
935018	DK0009350183	5% 321.s 2009	21-01-1998	31-05-2009	5	1.25	01-07-2009
935271	DK0009352718	6% 321.s 2009	03-11-1999	31-05-2009	6	1.50	01-07-2009
935166	DK0009351660	5% 321.s 2019	26-04-1999	31-05-2019	5	1.25	01-07-2019

7.11. Final terms and conditions for bonds already in the market, series 321. EUR

Interest The bonds carry a nominal rate of interest. Interest is paid on 1 January for the preceding year. Interest payments end on the term day when the bonds are paid out in full.

Amortisation The bonds are redeemed in full at par on the date of maturity.

Capital centre Collateral for the bonds consists of that part of BRFkredit's assets, including mortgages on real property, which is not placed in series (the General Capital Centre) To this should be added security in the form of public or private guarantees, other special forms of security and the personal liability of the borrowers. Further collateral stems from the remaining assets of BRFkredit under S.31 of the Danish Mortgage Credit Loans and Mortgage Credit Bonds etc. Act.

Denomination 0.01 EUR

Callability The bonds are non-callable on the part of both BRFkredit and the creditor.

Payments Payments are due on the term date 1 January. If this date is a Saturday, a Sunday or a holiday, payment shall be due on the next banking day.

Bonds already in the market, series 321. EUR

Sec.code	ISIN code	Name	Opening	Closing	Interest % p.a.	Interest % per term	Maturity
935557	DK0009355570	4% 321 EUR 2006	19-11-2001	30-11-2005	4	4	01-01-2006
935565	DK0009355653	4% 321 EUR 2007	19-11-2001	30-11-2006	4	4	01-01-2007

Annex A

Please observe that the Danish version of this document prevails

Regulations governing BRFkredit a/s loans and bonds

As of 15 June 2005

BRFkredit

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These regulations of 15 June 2005 replace those of 17 November 2004.

These regulations have been laid down pursuant to article 8(8) of the Articles of Association of BRFKredit a/s (BRFKredit) and comprise the conditions and rights related to BRFKredit's loans and bonds, bond issues and series reserve funds (loan terms, bond terms and series terms). These regulations were approved by BRFKredit's Board of Directors on 15 June 2005.

A. Terms of bond issues

A.1. General provisions

A.1.1. BRFKredit grants loans and issues mortgage bonds and other securities to fund the loans in accordance with the guidelines laid down by the Board of Directors within the framework of the Danish mortgage credit legislation and the Articles of Association of BRFKredit. Funds generated through the issue of mortgage bonds or other securities may only be used for loans secured by mortgages on real property.

A.1.2. The issue of mortgage bonds and other securities can be divided into bond series at the discretion of the Board of Directors. Bond series can be divided into tranches, maturity years and interest tranches.

A.1.3. The bonds cannot be called by the owner.

A.1.4. In the context of callable bond series, repayment takes place through drawing (redemption) in tandem with the ordinary repayment of the funded loans. Drawing may also take place in connection with prepayments. The redemption price is set when the bond series opens.

A.1.5. In the context of non-callable bond series, repayment takes place through drawing (redemption) in tandem with the ordinary repayment of the funded loans as the loans can only be prepaid against surrender of bonds corresponding to the outstanding loan balance (see A.1.6).

A.1.6. In the context of bond series opened as from 1 July 1990 (index-linked loans as from 2 January 1991), prepayment of loans funded on the basis of these series may take place in accordance with the terms laid down by BRFKredit without bonds being drawn or surrendered. As regards non-callable bonds, such amounts prepaid do not influence repayment as drawing will take place as if amounts prepaid are still repaid ordinarily.

A.1.7. In connection with full or partial prepayment of loans for which callable bonds have been issued, BRFKredit may purchase and cancel the bonds in question instead of drawing them.

A.1.8. A bond does not carry interest after the payment date at which it falls due for payment.

A.1.9. Any interest amount not withdrawn at the payment date does not carry interest.

A.1.10. Subject to the decision of the Board of Directors, an application may be submitted for listing of a bond series on one or more stock exchanges.

A.2. Security of bonds

A.2.1. BRFkredit's total assets, as defined in A.2.2 and A.2.3, serve as security for the bonds and other securities issued by BRFkredit to fund mortgage loans. To this should be added security in the form of guarantees, surety commitments and other types of special security, mortgages on the properties, the joint and several liability of borrowers where such liability has been laid down in the loan terms, and borrowers personal liability.

A.2.2. The terms of a series with a series reserve fund may specify that owners of bonds issued to fund loans granted in the series may only forward their claims against the series in question and series with which it is jointly and severally liable.

A.2.3. In the event that a loan funded by a bond series is granted in a series without a series reserve fund, owners of the bonds in question may only forward their claims against the proportion of BRFkredit's funds that is not placed in series with series reserve funds.

A.3. Terms of individual bond series

A.3.1. The tranche, maturity year and interest tranche of each bond series constitute a separate repayment group.

A.3.2. In bond series with two annual payment dates and where the bonds are issued to fund loans with four debtor payment dates, the bonds are drawn – except in the event of prepayment – in accordance with the repayments at the loans' corresponding two payment dates per creditor payment date.

A.3.3. The interest rate of the bond is an annual rate of interest. In the event of more than one annual payment date, interest will be payable in equal proportions at each payment date.

A.3.4. Terms of bonds with floating interest rate

A.3.4.1. The interest rate on bonds in series 85 is fixed as the arithmetic mean of the average yield to maturity on Danish government bonds with a remaining life to maturity of less than three years as quoted on the Official List from the Copenhagen Stock Exchange calculated for the reference period.

The reference period begins the 12th day of the month prior to the previous payment date and ends on the 11th day of the month before the start of next payment period for which the interest rate is fixed.

A.3.4.2. The interest rate on the bonds in series 142.B and 442.B is fixed semi-annually with effect from 1 April and 1 October, respectively. The interest rate will be equal to the arithmetic mean of the 6-month CIBOR rate quoted with four decimal places published daily by Danmarks Nationalbank, the Danish Central bank, during the five banking days ending the fourth-to-last banking day in March and September, rounded to two decimal places plus a margin of 0.50%-point. If Danmarks Nationalbank ceases to publish the 6-month CIBOR rate on a daily basis, BRFkredit will calculate, in same way, the interest rate on the bonds based on a similar 6-month money market rate plus a margin of 0.50%-point. If the calculated CIBOR mean is equal to or exceeds a knock-in interest rate of 5.50% p.a., the interest rate on the bonds will be a fixed interest rate of 6.00% p.a. for each subsequent half-year with effect from the following 1 April or 1 October.

A.3.4.3. The interest rate on the bonds in series 154.B and 454.B is fixed semi-annually with effect from 1 April and 1 October, respectively. The interest rate will be equal to the arithmetic mean of the 6-month CIBOR rate quoted with four decimal places published daily by Danmarks Nationalbank, the Danish central bank, during the five banking days ending the fourth-to-last banking day in March and September, rounded to two decimal places plus a margin of 0.85%-point. If Danmarks Nationalbank ceases to publish the 6-month CIBOR rate on a daily basis, BRFkredit will calculate, in same way, the interest rate on the bonds based on a similar 6-month money market rate plus a margin of 0.85%-point. If the calculated CIBOR mean is equal to or exceeds an interest rate cap of 4.15% p.a., the interest rate on the bonds will be 5.00% p.a.

A.3.5. The terms of individual bond series appear from BRFkredit's bond sheet, which is an integral part of these regulations.

B. Terms of loans

B.1. General provisions

B.1.1. The mortgage loans may be granted in series.

B.1.2. A loan becomes payable if the mortgaged property or a material part thereof changes owners. BRFkredit decides whether assumption of debt in full or in part can take place and lays down the terms of assumption.

B.1.3. A loan also becomes payable in the event of default on the mortgage, etc., according to the provisions of the mortgage.

B.1.4. In the context of loans based on BRFkredit's issue of mortgage bonds, the market conventions in force from time to time governing trading in mortgage bonds are used for interest calculation, etc. The market conventions are applied analogously to other loans unless the loan document states otherwise. If the market conventions governing trading in bonds are changed during the term of a loan, the new market conventions will apply once they have entered into force.

B.1.5. When the first loan payment on a nominal loan is made, the repayment amount, interest amount and commissions are calculated on a pro rata basis according to the number of days included in the first payment period. When nominal loans are disbursed through a transfer to an account with the Danish Securities Centre, the interest relating to the period from the beginning of the interest period in which disbursement takes place until the date of disbursement is collected.

In terms of index-linked loans, only interest and commissions are paid for the number of days covered by the period in the first payment period.

In terms of index-linked loans in Denmark and loans in the UK, a new payment period commences on the first day of the month after the month of the payment due date.

In terms of all other types of loan, a new payment period commences on the first day of the month of the payment due date.

B.1.6. The entire outstanding loan balance is repaid when the last repayment is made. The entire debt outstanding on the underlying bonds is repaid on nominal cash loans disbursed until 31 October 1987 and index-linked cash loans.

The entire cash outstanding loan balance is repaid on nominal cash loans disbursed as from 5 July 1993, while the last payment of interest constitutes the interest payable on and repayment of the debt outstanding on the underlying bonds of the loan less the cash outstanding loan balance. In respect of adjustable rate loans, however, the payment of interest is the interest on the cash loan.

B.1.7. The final punctual payment date is the last weekday of the month of the due date, apart from Saturday.

B.2. Borrowers' liability

B.2.1. Borrowers' liability towards BRFkredit or towards the series if the loan is granted in a series with a series reserve fund for the loan is covered by both the mortgaged property and the borrowers personally. Borrowers are not liable for BRFkredit's obligations.

B.2.2. The terms of a series with a series reserve fund may stipulate that borrowers are jointly and severally liable for other loans in the series in addition to their own loans.

B.2.3. For the borrowers to meet their joint and several liability, BRFkredit may, when deemed necessary by the Board of Directors, demand that they make extraordinary commissions to the series. Refunding of such extraordinary commissions can only take place in so far as the series in question meet the requirements of own funds specified by the authorities and the finances of BRFkredit so allow in the opinion of the Board of Directors.

B.2.4. Joint and several liability will not cease to exist until the accounts for the year in which the loan is fully repaid or prepaid have been adopted by the general meeting and no losses have been ascertained, resulting in the own funds of the series in question being lower than the requirements specified by the authorities (see B.3.1.6, fourth sentence below). However, a receipt may be issued for the termination of joint and several liability on the redemption of a loan if the borrower provides security regarded by the Board of Directors as adequate to cover a claim if applicable.

B.3. Provisions on individual loan series or types of loan

B.3.1. Provisions on limitation of joint and several liability

B.3.1.1. Borrowers of loans granted by Husejernes Kreditkasse (ordinary mortgage lending) are only jointly and severally liable for obligations as regards the

bonds related to these loans. The loans have been established as a separate series in BRFkredit a/s. The joint and several liability of the individual borrower has been limited to an amount corresponding to two thirds of the original principal.

B.3.1.2. Borrowers of loans granted under ordinary mortgage lending are jointly and severally liable among themselves, but are not jointly and severally liable for other loans. The joint and several liability of the individual borrower has been limited to an amount corresponding to two thirds of the original principal. This comprises loans funded by the bond series 64, 68, 73, 74, 81 and 82.

B.3.1.3. Borrowers of loans granted under special mortgage lending and funded by the bond series 13, 23 and 30 are jointly and severally liable. The liability of the individual borrower has been limited to loans funded by the same series.

B.3.1.4. Borrowers of loans granted under special mortgage lending and funded by the bond series 1, 3, 6 and 9 are not jointly and severally liable.

B.3.1.5. Borrowers of loans granted as nominal loans, but not adjustable rate loans, under standard mortgage lending (standard loans and basic loans) with joint and several liability are jointly and severally liable among themselves. These loans comprise loans funded by the series 33, 34, 39, 40, 42, 46-49, 52-53, 56-58, 85 and 86 (borrowers are not jointly and severally liable for other loans).

B.3.1.6. Borrowers of loans granted as nominal loans and funded by the bond series under the general term C are jointly and severally liable among themselves. So far, these loans comprise loans funded by the bond series 111. C. Borrowers are not jointly and severally liable for other loans. As from 1 January 2001, BRFkredit may decide to discontinue joint and several liability provided that BRFkredit and the series' reserve fund (see C.2.5 below) meet the requirement of own funds specified by the authorities.

B.3.1.7. Borrowers of loans granted under standard mortgage lending and funded by the bond series 111, 111.B, 111d, 121, 142.B, 154.B, 211, 321, 321RTL, 321.B.RTL, 411.B, 442.B and 454.B and borrowers of loans denominated in foreign currency are not jointly and severally liable.

B.3.1.8. Borrowers of loans granted as adjustable rate loans and funded by the 59th bond series are jointly and severally liable among themselves. They are not jointly and severally liable for other loans.

B.3.1.9. Borrowers of loans granted as index-linked loans in the bond series 87, 90-95, 97-99, 223 I, 223 IS and 423 IJ are jointly and severally liable among themselves, but not jointly and severally liable for other loans.

B.3.1.10. Borrowers of loans granted as index-linked loans and funded by the bond series 223.W.I. and 223.W.IS. are not jointly and severally liable.

B.3.1.11. As regards special mortgage loans with joint and several liability or standard mortgage loans with joint and several liability disbursed before 22 June 1990, the joint and several liability has been limited to an amount corresponding to the original principal of the individual loan.

B.3.1.12. As regards basic loans with joint and several liability disbursed before 22 June 1990, the joint and several liability has been limited to an amount corresponding to two thirds of the original principal of the individual loan.

B.3.1.13. As regards loans with joint and several liability disbursed as from 22 June 1990, the joint and several liability has been limited to an amount corresponding to the original principal of the individual loan.

B.3.1.14. In the event that the loan raised is guaranteed by the central or local government or other security approved by the Ministry of Housing is provided in addition to the mortgage on the property, the joint and several liability only covers an amount corresponding to the non-guaranteed proportion of the loan principal.

B.3.1.15. The joint and several liability of borrowers is limited to their respective mortgaged properties.

B.3.2. Terms of redemption

B.3.2.1. Callable loans may be prepaid through:

- i) surrender of bonds
- ii) cash redemption
- iii) calling the bonds and subsequent cash redemption of the debt outstanding on the underlying bonds at the redemption price set at the opening of the bond series
- iv) immediate prepayment with compensation interest
- re i) Prepayment takes place through surrender to BRKredit of bonds of

the same series, tranche, maturity year and interest tranche as those used to fund the loan. The bond amount to be surrendered is the current debt outstanding on the underlying bonds.

- re ii) BRFkredit may offer cash prepayment of the loan at a price calculated by BRFkredit.
- re iii) Prepayment takes place by calling the loan in writing to BRFkredit. The bonds must be called not later than five months and two months, respectively, prior to the expiry of a bond period for loans based on bonds with two and four payment dates, respectively, and the borrower is then entitled and obliged to repay at the redemption price set at the opening of the bond series the debt outstanding on the underlying bonds applicable in the bond payment period in question. BRFkredit must receive the cash redemption amount on or before the last weekday (excluding Saturday) prior to the bond payment period in question.
- re iv) Prepayment takes place on the basis of the current debt outstanding on the underlying bonds, where BRFkredit may offer that the loan be called immediately according to iii) against payment of compensation interest by the borrower calculated by BRFkredit as from the date of prepayment to the payment date at which the loan could have been prepaid by observing the notice given under iii).

B.3.2.2. Non-callable loans may only be prepaid by transferring to BRFkredit bonds of the same series/tranche/maturity year and coupon rate as those used to fund the loan. The bond amount to be transferred is the actual outstanding bond loan balance.

B.3.2.3. Adjustable rate loans may only be prepaid in cash at the date of refinancing.

B.3.2.4. Index-linked loans disbursed before 2 January 1991 may not be prepaid in cash although IJ loans in the series 90 must be prepaid as callable loans on change of ownership.

B.3.2.5. BRFkredit may offer cash redemption at a price calculated by BRFkredit (see A.1.6 above) of non-callable nominal loans disbursed as from 1 July 1990 and index-linked loans disbursed as from 2 January 1991.

B.3.2.6. Loans denominated in foreign currencies and granted on the basis of the issue of mortgage bonds in the same currency as the loan may be pre-

paid as stipulated in B.3.2.1–B.3.2.3. and B.3.2.5. However, cash redemption amounts must be paid in the currency of the loan. BRFkredit may decide that payment is to be made to a bank specified by BRFkredit.

Loans denominated in foreign currencies and granted without the issue of mortgage bonds in the same currency as the loan may only be prepaid through cash payment of the redemption amount in the currency of the loan. BRFkredit may decide that payment is to be made to a bank specified by BRFkredit.

When calculating the redemption amount, BRFkredit may charge a premium or interest for the rest of the period running until BRFkredit can repay the funding underlying the loan.

B.3.2.7. As regards mix-loans, the series and annuity elements can only be reduced simultaneously and proportionately.

B.3.2.8. In the event of partial prepayment, the borrower's loan payment is lowered proportionately.

B.3.3. Other special provisions

B.3.3.1. As regards index-linked loans, the book value of the principal and the current outstanding loan balance are adjusted twice a year – on 1 January and 1 July. The adjustment commences when the loan is disbursed. The adjusted value serves as the basis for calculating the loan payment for the following June and December payment periods. The adjustment is made on the basis of the half-yearly percentage change in the net retail price index published by Statistics Denmark. The adjustment on 1 January is made on the basis of the net retail price index of May last and the adjustment on 1 July is made on the basis of the net retail price index of November last.

B.3.3.2. Index-linked loans of the IS type are subject to the special provision that if the half-yearly percentage rise in the net retail price index exceeds the half-yearly percentage rise in the summary wage index published by Statistics Denmark for May and November last, respectively, the principal for calculation of the net repayment amount will be adjusted by 75% of the half-yearly rise in the summary wage index and otherwise by 75% of the half-yearly rise in the net retail price index. If the wage index falls, the net repayment amount according to this index will be adjusted regardless of the trend in the net retail price index. The net repayment amount is lowered by 100% of the half-yearly percentage fall. If the net retail price index falls and the wage index rises, adjustment does not take place.

Any debt outstanding on the underlying bonds may, on expiry of the loan's maximum term, be called for redemption at one month's notice.

B.3.3.3. Index-linked loans of the IE type are subject to the special provision that if the half-yearly percentage rise in the net retail price index exceeds the half-yearly percentage rise in the summary wage index published by Statistics Denmark, the booked principal for calculation of the loan payment will be adjusted by the half-yearly percentage rise in the summary wage index. The adjustment on 1 January will then be made on the basis of the wage index of May last and the adjustment on 1 July will be made on the basis of the wage index of November last. If either of the indices mentioned falls, the booked principal will be adjusted according to the falling index. If both indices fall, the booked principal will be adjusted according to the index displaying the sharpest fall.

B.3.3.4. Index-linked loans of the IJ type (agricultural loans) are subject to the special provision that the principal and the outstanding loan balance during the first 15 years of the term of the loan are only adjusted by 70% of the half-yearly percentage rise in the net retail price index if net repayment amounts are paid in pursuance of section 2(b) of the act on index-linked mortgage loans. If the net retail price index falls, the principal and the outstanding loan balance are adjusted by the full amount of the fall.

The same applies in the event that net repayment amounts are paid to agricultural loans in pursuance of section 13(3-5) of the Danish act on refinancing of mortgage loans etc. on agricultural property. If net repayment amounts are paid in pursuance of section 13(4-5) of the above act, however, the principal and outstanding loan balance will be adjusted by 75% and 85%, respectively, of the half-yearly rise in the net retail price index.

B.3.3.5. The interest rate on floating rate loans in Denmark is fixed according to the terms of the bonds issued to fund the loans.

The interest rate on floating rate loans in England is fixed as a premium on the quoted GBP LIBOR rate.

The interest rate on floating rate loans in Germany is fixed as a premium on the quoted EURIBOR rate.

B.4. Provisions on front-end fees, commissions, fees, default interest and other rates

B.4.1. The amount of BRFkredit's front-end fees, commissions, default interest and the amount and nature of fees etc. are fixed by the Board of Directors.

B.4.2. Unless otherwise agreed explicitly, the rate of commission or the method of calculating commission on existing loans may be changed for business or market reasons. For instance, this could be the case with a view to countering an increase in costs, including losses or direct and indirect taxes, or to maintaining or strengthening the capital base.

At least three months' notice must be given of such a change to the first payment period in which the change is to take effect.

Information about the change in the rate of commission and the method of calculating commission on existing loans must be provided in writing.

The rate of commission and the method of calculating commission on new loans may be changed without notice.

B.4.3. BRFkredit charges default interest on loan payments, redemption amounts and other amounts due that are paid late. Unless otherwise agreed explicitly, the rate of default interest and the method of calculating default interest may be changed for existing loans for business or market reasons. For instance, this could be the case with a view to countering an increase in costs, including losses or direct and indirect taxes, or to maintaining or strengthening the capital base.

Default interest and the method of calculation may be changed in disfavour of the borrower without notice, if such change is needed due to outside circumstances that are beyond the control of BRFkredit.

In case of other changes in disfavour of the borrower, a notice of at least one month must be given before the beginning of the first month where such change comes into effect. Information regarding a change in the rate of default interest or the method of calculating default interest on existing loans will be given in writing or by other means.

Default interest and the method of calculation may be changed without notice for new loans.

B.4.4. BRFkredit charges a fee on services performed for the customer, including fees charged due to the customer's non-performance of the agreement with BRFkredit.

Fees on existing loans may be changed for business or market reasons. For instance, this could be the case with a view to countering an increase in costs, including losses or direct and indirect taxes, or to maintaining or strengthening the capital base.

BRFkredit may introduce new fees on existing loans subject to the same conditions as above.

BRFkredit determines the fees on new loans.

B.4.5. The current rates appear from BRFkredit's price sheet, which is an integral part of these regulations.

C. Administration of BRFkredit's series

C.1. Limitation of series

C.1.1. Loans with joint and several liability are granted in series with a series reserve fund. Series with a series reserve fund may also be established for other loans.

C.1.2. For loans where the borrowers have joint and several liability among themselves, only one series has been established even though several bond series have been used for the loans.

C.1.3. A series reserve fund must always meet the requirement for own funds, stipulated for loans in the series and other assets. Guarantees, etc., related to loans are taken into consideration to the extent that these reduce the requirement for the amount of own funds.

C.1.4. The Board of Directors may decide to transfer funds to a series unless the transfer means that BRFkredit, as a whole, will in such case not meet the own funds requirement.

C.1.5. In the event that the own funds of a series exceed the minimum requirement under C.1.3 above, the Board of Directors may decide to transfer the surplus to BRFkredit's other reserves.

C.2. Established series with series reserve funds

C.2.1. A series with a series reserve fund has been established for loans granted by the Husejernes Kreditkasse i København (ordinary mortgage lending).

C.2.2. A series with a series reserve fund has been established for loans granted under other ordinary mortgage lending.

C.2.3. Separate series with series reserve funds have been established for loans granted under special mortgage lending (with joint and several liability) for each of the series 13, 16, 19, 23 and 30.

C.2.4. A series with a series reserve fund has been established for loans granted as nominal loans, but not as adjustable rate loans, under standard mortgage lending (with joint and several liability).

C.2.5. A series with a series reserve fund has been established for loans granted as nominal loans and funded by bond series under the general term C. In the event that a decision is made to discontinue borrowers' joint and several liability (see B.3.1.6., fourth sentence), the series will be dissolved and its assets and liabilities transferred to the part of BRFkredit that is not divided into series with series reserve funds (BRFkredit's General Capital Centre).

C.2.6. A series with a series reserve fund has been established for loans granted as adjustable rate loans (with joint and several liability) and funded by the 59th bond series.

C.2.7. A series with a series reserve fund has been established for loans granted as indexed loans in the series 87, 90-95, 97-99, 223 I, 223 IS and 423 II.

C.2.8. A series with a series reserve fund has been established for loans funded by bond series under the general term B.

C.3. Administration

C.3.1. The funds of the series are booked separately from BRFkredit's other reserves.

C.3.2. The funds of the series and BRFkredit's other reserves are managed jointly, and the individual series and BRFkredit's other reserves, respectively, only receive a proportionate return on joint funds.

C.3.3. The Board of Directors lays down guidelines for the types of asset in which the funds of the series can be placed.

C.3.4. Separate accounts are prepared for each series.

C.3.5. The income of a series is made up of interest etc. on mortgages, front-end fees, commissions, fees and similar income as well as returns on the series' assets and off-balance-sheet items. The expenses of a series are made up of interest etc. on bonds and other securities, administrative expenses, etc., expenses for raising and paying interest on subordinated capital, losses and provisions on probable losses on the series' assets and off-balance-sheet items as well as the proportion of BRFkredit's tax.

D. Force majeure

BRFkredit shall be held liable in damages in the event that due to errors or omissions BRFkredit meets agreed obligations too late or in a defective manner. However, even in areas where stricter liability rules apply, BRFkredit shall not be held liable in damages for losses caused by:

- Break-down in/lack of access to IT systems or damage to data in such systems, which is attributable to the below mentioned events, irrespective of whether it is BRFkredit itself or an external supplier, who is responsible for the operation of the systems;
- Failure in BRFkredit's power supply or telecommunications, statutory intervention or administrative acts, natural disasters, acts of God, war, riots, public unrest, sabotage, terror or vandalism (including computer viruses and hacking);
- Strike, lockout, boycott or blockade, irrespective of whether the conflict is aimed at or initiated by BRFkredit itself or BRFkredit's organisation, and irrespective of the reason behind the conflict. This provision shall also apply when the conflict in question affects only parts of BRFkredit;
- Other circumstances beyond BRFkredit's control.

BRFkredit's exemption from liability shall not apply in the event that:

- BRFkredit ought to have anticipated the situation, which underlies the loss in question when the agreement was made, or ought to have avoided or overcome the reason behind the loss;
- Danish legislation in all circumstances holds BRFkredit liable in the situation underlying the loss.