City of Malmo
Local Government Commercial Paper Programme

SEK 5,000,000,000
or the equivalent in EUR

Book-running lead bank

Swedbank

Issuing Institutions

Danske Bank
DNB
Handelsbanken
Nordea
SEB
Swedbank

Issuing and Paying Agent

Swedbank
**Summary of terms and other information**

**Borrower:** City of Malmo (corp. ID no. 212000-1124) ("the Municipality") Sweden AB in a securities account.

**Framework amount:** Nominally SEK 5,000,000,000 or the equivalent in EUR at any given time.

**Denominations:** Nominally SEK 1,000,000 or EUR 100,000 or, in both instances, whole multiples thereof.

**Currency:** Swedish kronor ("SEK") and euro ("EUR").

**Maturity:** At least one (1) day but less than one (1) year.

**Form of securities and identification:** The Local Government Commercial Papers are issued in dematerialised form and are registered with Euroclear Sweden AB, so no physical securities will be issued.

Every commercial paper with the same maturity date is assigned an international number for securities identification by Euroclear Sweden AB, ISIN (International Securities Identification Number). The Local Government Commercial Papers shall be registered on behalf of the claimant with Euroclear Sweden AB in a securities account.

**Return:** The Local Government Commercial Papers do not bear interest but are invested and converted on the money market at the interest that applies to equivalent types of Local Government Commercial Papers at the time of issuing.

**Issuing institutions:** Swedbank AB (publ), Danske Bank A/S, Denmark, Sweden Branch, DNB Bank ASA, Sweden Branch, Nordea Bank AB (publ), Nordea Bank Finland Abp, Skandinaviska Enskilda Banken AB (publ) and Svenska Handelsbanken AB (publ) (jointly called "Issuing institutions", each one of them "Issuing institution").

**Issuing and Paying Agent:** Swedbank AB (publ), Large Corporates & Institutions, Securities Services.

**Market:** Via the Issuing Institutions, the Municipality offers Commercial Paper Programme as a money market investment. The Issuing Institutions maintain a second-hand market for Local Government Commercial Papers by being prepared to state bid rates and, where possible, ask rates.

The Issuing Institutions will maintain a market for the Commercial Paper Programme as long as they deem investment in these Commercial Paper Programme and others issued by Swedish banks or credit institutions to be viable on normal market terms.

**Right to represent the holders of the Local Government Commercial Papers:** The Issuing Institutions have the right to represent the holders of the commercial papers with regard to everything that concerns the Local Government Commercial Papers.

**The status of the commercial papers:** Commercial papers are unsecured commitments and shall, in terms of precedence, rank pari passu alongside the Municipality's other unsecured, unprioritised liabilities. By law, municipalities are prohibited from using their assets as collateral for loans.

**Risks:** There are various kinds of risks associated with, on the one hand the...
municipality and, on the other hand the securities themselves, i.e. local government commercial papers issued under the programme.

The responsibility for assessing the outcome of investing in local government commercial papers rests with the investor. Every investor must, in consideration of his or her individual financial situation, assess the suitability of investing in local government commercial papers and, in case of uncertainty, consult with a financial advisor. The below is merely a brief and by no means complete account certain risk factors associated with local government commercial papers issued under the local government commercial paper programme and are not intended to constitute a base for making decisions or a recommendation to invest in local government commercial papers issued under the local government commercial paper programme. Risks associated with the municipality's operations are mainly related to credit and market risks, as well as the risk of a fluctuating tax assessment basis and political risk. The municipality is also exposed to other risks such as operative risks and liquidity risks.

Credit risk refers mainly to the risk that the municipality does not receive payment from a counterpart as pursuant to an agreement or that the value of collateral is not adequate and can thus not cover the outstanding claim. The risk comprises all claims the municipality has from counterparts.

The market risk is the risk that the value of assets, liabilities and/or financial contracts is affected by changes in general economic conditions or events that affect a large part of the market, such as changes in interest rates, exchange rates and the price of the municipality's assets.

The municipality's financial standing is also affected by a change in the tax assessment basis, such as the number of residents and companies in the municipality. In addition, the municipality is exposed to a certain political risk, which means, among other things, that the risk of regulatory changes that significantly alter the municipality's right to levy tax on the municipality's residents.

The liquidity risk refers to the risk that the municipality will only be able to meet liquidity commitments at increased cost or, in a worst-case scenario, not at all.

Operative risks furthermore refer to risks associated with, among other things, defects and inadequacies in products and services, insufficient internal oversight, unclear procedures for determining responsibility, defective technical systems, various forms of criminal assaults and insufficient preparedness for disturbances. Operative risks also include legal risks.

The risks in the municipality's operations are relevant to creditors in local government commercial papers, as creditors are always exposed to a credit risk from the municipality, meaning the municipality's economic prosperity is a prerequisite for repaying the local government commercial papers' nominal value on the maturity date.

Some of the occurring risks are associated with local government commercial papers in general and circumstances beyond the control of the municipality such as the existence of an effective secondary market, the stability in the current system for clearing and liquidation and the overall economic situation and development of the same in Scandinavia and internationally.
Taxation: It is up to each investor to assess the tax consequences that may arise from subscribing to, purchasing and selling local government commercial papers that are issued under the local government commercial paper programme and consult with a tax advisor for this purpose.

Rating: The municipality has been assigned a credit rating of AAA by Standard & Poors for its long-term borrowings and A-1+ for its short-term borrowings. At the same time, City of Malmo is placed in the highest rating category, K-1, on the Scandinavian scale. This, too, refers to the municipality's short-term borrowings. It is the obligation of each and every one to obtain information about rating as it can be subject to change.

Information: Further information about the Municipality, including Annual Reports and other financial information, can be obtained from the municipality's website: www.malmo.se

The Municipality has applied all due caution to ensure that the details presented in this listing document agree, to the best knowledge of the municipality, with the actual circumstances and that nothing has been omitted that could have affected its interpretation.

Please also see the “General Terms and Conditions for Local Government Commercial Paper Programme” presented in full below.

Malmö, 12 March 2013

CITY OF MALMO

The distribution of this prospectus and commercial papers may be limited by law in some countries. Consequently, holders of prospectuses and/or commercial papers must ensure that they are aware of any such restrictions and are in compliance with them.
GENERAL TERMS AND CONDITIONS
FOR LOCAL GOVERNMENT
COMMERCIAL PAPER PROGRAMME

Issued in accordance with the issue agreement ("Issue agreement") dated 9 February 2011 and supplementary agreement from 25 October 2012 between City of Malmo (corp. ID no. 212000-1124) ("Municipality"), on the one hand and Swedbank AB (publ) ("Lead bank"), Danske Bank A/S, Denmark, Sweden branch, Nordea Bank AB (publ), Skandinaviska Enskilda Banken AB (publ), Svenska Handelsbanken AB (publ), Nordea Bank Finland ABP and DNB Bank ASA, Sweden branch (jointly called "Issuing institutions, each one of them "Issuing institution"), on the other hand, and issuing and paying agent agreement ("IPA-agreement") dated 9 February 2011 between the Municipality and Swedbank AB (publ) as issuing and paying agent ("IPA"). The Issue agreement with supplementary agreement and IPA-agreement are hereinafter referred to as "the Agreements".

1. DEFINITIONS

In addition to the definitions stated above, the following terms are defined as stated below.

"Transaction date" the date on which an agreement regarding an investment in Local Government Commercial Papers has been reached between the Municipality and the Issuing Institution;

"Business day" a day in Sweden that is not a Sunday or other general public holiday, or that, with regard to payment of promissory notes is not equivalent to a general public holiday;

"ES" Euroclear Sweden AB, (corp. ID no. 556112-8074);

"EUR" euro;

"EURIBOR" the interest rate published by the Reuters information system on its "ERIBOR01" page (or any other system or page that replaces the aforementioned system or page) and that represents the average of the rates at 11.00 a.m. on the relevant interest rate decision date offered to leading banks for deposits in EUR on the European interbank market for one-week loans in EUR or – if EURIBOR is not determined or published for a certain period – the Leading Bank’s assessment of the interest rate offered by Swedish commercial banks for one-week lending of relevant amounts in EUR on the European interbank market;

"Creditor" a party listed in a custodial account as a creditor or who is otherwise entitled to receive payment in accordance with a Local Government Commercial Paper;

"Maturity date" the day on which a nominal amount regarding relevant Local Government Commercial Papers shall be repaid;

"Adjusted loan amount" the total Nominal Amount of the outstanding Local Government Commercial Papers with deduction for the Local Government Commercial Papers held by the Municipality;

"Local government commercial paper" a unilateral debt instrument registered in accordance with the Swedish Financial Instruments Accounts Act (1998:1479) and that has been issued by the Municipality in accordance with the Agreements and their General Terms and Conditions. "Local government commercial papers" refer to all local government commercial papers which have the same Maturity date;

"Account-keeping institution" a bank or other organisation granted the right to act as an account-keeping institution in accordance with the Swedish Financial Instruments Accounts Act and at which a creditor has opened a custodial account in connection with the Local Government Commercial Paper Programme;

"Nominal amount" the amount, in a certain currency, to be paid on the maturity date in accordance with each Local Government Commercial Paper (as indicated in registration with ES);

"Framework amount" FIVE BILLION SWEDISH KRONOR (SEK 50,000,000,000) or the equivalent amount in EUR corresponding to the highest combined nominal amount for Local Government Commercial Papers that may be outstanding at any time, to the extent that no other amount is stipulated by agreement between the Municipality and the Issuing Institutions in accordance with item 8.1, in which case Local Government Commercial Papers in EUR are to be translated into SEK at the exchange rate published on the Transaction Date for each Local Government Commercial Paper published on Reuters’ “SEKFIX” page (or any other system or page that replaces the aforementioned system or page) or – if no such rate has been published – the relevant amount is to be
translated into SEK according to the Issuing Institution’s spot rate for SEK against EUR on the Transaction Date;

"SEK" Swedish kronor;

"STIBOR" the interest rate published by the Reuters information system on its “SIOR” page (or any other system or page that replaces the aforementioned system or page) and that represents the average of the rates at 11.00 a.m. on the relevant interest rate decision date noted by banks in Sweden on the Stockholm interbank market for one-week loans in SEK or – if STIBOR is not determined or published for a certain period – the Leading Bank’s assessment of the interest rate offered by Swedish commercial banks for one-week lending of relevant amounts in SEK on the Stockholm interbank market;

"Issuing institutions" the Issuing Institution through which a certain Local Government Commercial Paper is to be, or has been issued, to the market;

"Currency" SEK or EUR; and

"Custodial account" a securities account in which each Creditor’s holdings of Local Government Commercial Papers is registered in accordance with the Financial Instruments Accounts Act.

2. DESCRIPTION OF LOCAL GOVERNMENT COMMERCIAL PAPERS, ETC.

2.1 Local Government Commercial Papers are issued within the scope of the Framework amount in nominal denominations of one million Swedish kronor (SEK 1,000,000) or one hundred thousand euros (EUR 100,000) or, in both instances, whole multiples thereof. Local Government Commercial Papers are to have a maturity of at least one (1) day but less than one (1) year.

2.2 The Municipality hereby pledges to pay the Creditor the Nominal Amount of the Local Government Commercial Paper in accordance with these terms on the maturity date of the Local Government Commercial Paper.

3. REGISTRATION OF LOCAL GOVERNMENT COMMERCIAL PAPERS, ETC.

3.1 The Local Government Commercial Papers will be registered in a custodial account on the Creditor’s behalf and consequently no physical security will be issued. Requests regarding specific registration measures for Local Government Commercial Papers are to be addressed to the Account-Keeping Institution.

3.2 Anyone who has obtained the right to receive payment in connection with a Local Government Commercial Paper through assignment, pledge, stipulations in the Code relating to Parenthood and Guardianship, terms of inheritance, deed of gift, or otherwise, must register his/her right to payment.

4. REPAYMENT

4.1 The Nominal Amount of the Local Government Commercial Paper is paid through the administration of ES to the Creditor registered with ES on each occasion at which redemption is exercised on the maturity date or any other date or time that may be applied (“Record Day”).

4.2 The Municipality has assigned IPA to administer the redemption of Local Government Commercial Papers via ES and IPA has accepted this assignment on the condition that the Municipality provide IPA with the necessary means.

4.3 If the Creditor has registered with the Account-Keeping Institution that the amount is to be deposited into a certain bank account, that deposit will be made under the administration of ES on the maturity date. ES will otherwise send the amount to the Creditor on the maturity date at the address registered with ES on the Record Day. If the maturity date is not a Business Day, the amount will be deposited or sent on the immediately ensuing Business Day.

4.4 If, due to delay by the Municipality or other impediment, ES cannot pay the matured amount in accordance with what has been stated above, ES will pay the amount in question as soon as the impediment ceases to whoever was registered as the Creditor on the Record Day.

4.5 If it transpires that the party to whom the amount was paid in accordance with what has been stated above lacked the right to receive such payment, the Municipality, IPA and ES shall nonetheless be considered to have fulfilled their commitments. This does not apply, however, if the Municipality, IPA or ES were aware that the amount came into the wrong hands or neglected to observe the diligence required by the circumstances.

5. PREMATURE REDEMPTION, ETC.

5.1 The Issuing institutions have the right to – and on written request by a Creditor representing alone or together with another Creditor no less than one tenth of the Adjusted loan amount at the time of such a request – on behalf of all Creditors concerned declare the Local Government Commercial Papers as due for immediate payment if:

a) IPA has not received from the Municipality in due time the necessary funds for the redemption of the issued
Local Government commercial paper; or

b) the Municipality has not, at the appropriate time, met its payment commitments regarding other loans or contingent liabilities for loans raised or entered into by the Municipality and the combined amounts that have matured for payment under the relevant loans or contingent liabilities amount to at least ONE HUNDRED MILLION SEK (SEK 100,000,000) or the equivalent in another currency; or

c) The Municipality stops making its payments, files for or admits to settlement procedures or settlement-like procedures, declares itself as being insolvent or in any other way announces that the Municipality is unable to pay its debts as they fall due and that this insolvency is not merely temporary.

5.2 In the event of premature redemption of Local Government Commercial Papers in accordance with the above, an amount is to be deducted corresponding to the interest for the period from the date of redemption until the original maturity date of the Local Government Commercial Paper, calculated as the lower of (i) the interest rate with which the Local Government Commercial Paper was issued or (ii) the mean value of the bid and ask rates stated by the Leading Bank for the highest quality Local Government Commercial Papers with a corresponding remaining maturity at the time of the premature redemption.

5.3 In the event of delayed payment, interest is charged as notified by the Leading Bank on the calculated matured amount (actual number of days/360-day basis) at an interest rate equivalent to the higher of

a) the interest rate with which the Local Government Commercial Paper was issued or

b) STIBOR for Local Government Commercial Papers issued in SEK and EURIBOR for Local Government Commercial Papers issued in EUR, on the first Business Day of the calendar week in which the delay occurs or – if the delay continued for more than one calendar week – the average of the STIBOR or EURIBOR rates set on the first Business Day of each calendar week during which the delay persists.

In both cases, a two (2) percentage point supplement is applied and the total calculated on the basis of the actual number of days over which the delay persists.

5.4 If the delay in payment is due solely to impediments to the Issuing Institutions, IPA or ES given under item 11.1, it shall not, despite what has just been stated, be subject to a higher interest rate than that with which the Local Government Commercial Paper was issued.

5.5 A written request from Creditors as per item 5.1 shall be delivered to the Lead bank for forwarding to the Issuing institutions and the Municipality. To such a request shall be attached a bank statement or similar document indicating the Creditor’s holding of Local Government Commercial Papers at the time of the request.

6. CHANGES IN THE FRAMEWORK AMOUNT, EXCHANGING ISSUING INSTITUTIONS AND IPA

6.1 The Municipality and the Issuing Institutions have the right to agree to raise or lower the Framework Amount.

6.2 The Municipality and the Issuing Institutions have the right to agree to increase or decrease the number of Issuing Institutions and to exchange one Issuing Institution for another. In such cases, “Issuing Institution” will subsequently also include any such additional institution.

6.3 The Municipality, the Issuing Institutions and IPA have the right to agree to exchange IPA with another Account-Keeping Institution in Sweden. In such an event, “IPA” would subsequently refer to that new Account-Keeping Institution.

7. NOTIFICATIONS

Any notifications shall be delivered to the Creditor’s address as registered with ES.

8. NOMINEE REGISTRATION

For Local Government Commercial Papers managed by a nominee in accordance with the Financial Instruments Accounts Act, a nominee shall, in the application of these terms, be treated as a Creditor.

9. LIMITATION OF LIABILITY

9.1 With regard to the measures incumbent on the Issuing Institutions, IPA and ES (regarding ES, in relation to the stipulations of the Financial Instruments Accounting Act), the aforementioned parties cannot be held liable for damage attributable to Swedish or foreign legal enactments, measures undertaken by Swedish or foreign public authorities, events of war, strikes, blockades, boycotts, lockouts or other similar circumstances. The reservation regarding strikes, blockades, boycotts and lockouts applies whether the party is the object of such a conflict measure or the instigator thereof.
9.2 The Issuing Institutions, IPA and ES shall not be liable for damage incurred under other circumstances if the relevant party has observed normal caution. In no events will compensation be paid for indirect damages.

9.3 If, due to circumstances such as those stated under item 9.1, the Municipality, the Issuing Institutions, IPA or ES are impeded from implementing measures in accordance with these terms, the measure may be postponed until that impediment has ceased.

9.4 The above terms apply to the extent that the Financial Instruments Accounting Act does not stipulate otherwise.

9.5 Neither the Issuing institutions or IPA shall be considered to have information about the Municipality and its operations or any circumstances as referred to in item 5.1 b) if such information has not been provided by the Municipality through a special notification in accordance with the Issue agreement and IPA-agreement. The Issuing institute and IPA are not obligated to monitor whether conditions for premature redemption as per item 5.1 b) and c) exist.

10. LAW AND JURISDICTION

10.1 The interpretation and application of these terms is subject to Swedish law.

10.2 Disputes regarding the interpretation and application of these terms shall be resolved in a Swedish court of law. The court of first instance shall be Stockholm City Court.

We hereby confirm that we are bound by the above General Terms and Conditions.

Malmö, 25 October 2012

CITY OF MALMO
Issuer
City of Malmo
Stadskontoret/Internbanken
SE-205 80 Malmö
Telephone: 040-34 21 00
internbanken@malmo.se
www.malmo.se

Book-running lead bank
Swedbank AB (publ)
Large Corporates & Institutions
SE-105 34 Stockholm
Telephone: 08-585 900 00
www.swedbank.se

Issuing institutions for purchase and sale
Swedbank AB (publ)
Large Corporates & Institutions
Regeringsgatan 13
SE-105 34 Stockholm
www.swedbank.se

Danske Bank A/S, Denmark, Sweden branch
Danske Markets
Norrmalmstorg 1
SE-103 92 Stockholm
www.danskebank.se

Money market
08-700 99 00
Stockholm
08-700 99 99
Gothenburg
031-739 78 20
Malmö
040-24 22 99

DNB Bank ASA
Markets, plan 6
Kungsgatan 18
SE-105 88 Stockholm
www.dnbnor.se

Nordea Bank AB (publ)
Nordea Markets
Smålandsgränd 17
SE-103 71 Stockholm
www.nordea.se

DNB Markets
08-473 48 50
Stockholm
08-711 65 19
Gothenburg
040-24 73 00
Malmö

Skandinaviska Enskilda Banken AB (publ)
Merchant Banken, Capital Markets
Kungsträdgårdsgatan 8
SE-106 40 Stockholm
www.seb.se

Svenska Handelsbanken AB (publ)
Handelsbanken Capital Markets
Blasieholmstorg 11
SE-106 70 Stockholm
www.handelsbanken.se

Stockholm
08-506 231 73
08-506 231 95
Gothenburg
031-774 91 00
Malmö
040-667 69 20
Stockholm
08-463 46 50
Gothenburg
031-743 32 10
Malmö
040-24 39 50
Gävle
026-17 20 80
Linköping
013-28 91 60
Regionbanken
08-701 28 80
Stockholm

Issuing and Paying Agent
Swedbank AB (publ)
Large Corporate & Institutions
Securities Services/E62
settlements@swedbank.se

Central securities custodian
Euroclear Sweden AB
Box 191
SE-101 23 Stockholm
Telephone: 08-402 90 00