

Subject: Notes on the Amended Terms of Auction for the purchase of Icelandic krónur by the Central Bank of Iceland in exchange for foreign currency, posted 13 June 2016

The table reflects a guaranteed price in the auction. For example, if “non-competitive bids and valid competitive bids” are submitted in the amount of 100,000,000,000 kr., bidders are guaranteed a price of 200 kr. per euro. On the other hand, we do not exclude the possibility of accepting a price that could be lower. The same applies if bids are submitted in the amount of 175,000,000,001 kr. or more in the form of “non-competitive bids and valid competitive bids, bidders are guaranteed a price of 190 kr. per euro. However, we do not exclude the possibility of accepting a lower price, as bidders are now permitted to submit bids with lower prices. If we should accept a lower price, all would receive the same price, in keeping with the single-price format.

In other words, the table provides a guaranteed ceiling on the price, provided that the volume satisfies the requirements set. However, the possibility cannot be ruled out that we would accept a lower price than is shown in the table.

Sum of non-competitive bids and valid competitive bids:	Price:
0 kr. – 50,000,000,000 kr.	210 kr. per euro
50,000,000,001 kr. – 75,000,000,000 kr.	205 kr. per euro
75,000,000,001 kr. – 125,000,000,000 kr.	200 kr. per euro
125,000,000,001 kr. – 175,000,000,000 kr.	195 kr. per euro
175,000,000,001 kr. or more	190 kr. per euro

Bids may be submitted in multiples of one króna. Accepted prices in the 190-210 kr. range will be in multiples of 5 krónur, however, while accepted prices below 190 kr. could be in multiples of one króna.

Further inquiries may be sent to fxauction2016@cb.is