

5.4 The Bonds Act ("gældsbrevsloven")

Consolidation Act on debt instruments

Consolidation Act No. 333 of 31 March 2014

Consolidation Act No. 669 of 23 September 1986 is hereby announced with the amendments following from section 5 in Act No. 389 of 14 June 1995, section 2 in Act No. 539 of 8 June 2006 and section 9 in Act No. 523 of 6 June 2007

I. General provisions

1. A party, who issues a debt instrument, is not deprived thereby of any objections stemming from the legal matter which gave rise to the issuance of the debt instrument, unless otherwise agreed or follows from special circumstances.

2. When a debt instrument is issued by several parties, the issuers are liable one for all and all for one, unless otherwise agreed.

(2) If one of them has paid the debt, he can demand that each of the joint debtors pays their share. If one of the joint debtors obviously cannot pay or his whereabouts are unknown, the others must each pay their part of what he has not paid. The same applies if he has not paid his share within 14 days from a demand for such payment has been made or dispatched to him in an appropriate manner.

3. If the place of payment has not been agreed, payment shall be made at the creditors residence or, if the creditor is doing business, at the creditor's business premises. If the creditor moves to another country or the claim is acquired by a person in another country, payment shall be made at the previous place of payment.

(2) The creditor, however, may demand that the payment be made at another location in the country where payment shall be made if this does not cause material inconvenience or expense to the debtor.

(3) If the creditor has moved or the claim has changed hands without the debtor having learnt of where payment shall be made, any ensuing delay of payment does not cause liability on the part of the debtor. The creditor shall pay costs and losses incurred by the debtor because he was not aware of the change.

4. In the case of debt instruments which are issued to the holder, payment shall be made at the debtor's business premises when nothing else is agreed.

(2) The same rule applies to debt instruments which appear as part of an interconnected issue of a large number of debt instruments with common text (mass debt instrument) or which on the occasion of deposits are issued by banks or others whose business comprises include the acceptance of deposits.

5. If nothing is agreed regarding the time of payment, the debtor is obligated to pay the debt as soon as demanded by the creditor and is entitled to pay at any time.

(2) If the due date or the final date for punctual payment of a debt instrument falls on a public holiday or on Saturday or on Constitution Day, the 5 June, the due date or the final date for punctual payment, respectively, is postponed to the following weekday. This also applies when the debt instrument describes payment within a certain time limit which expires on a public holiday or a Saturday or on Constitution Day.

(3) If a debt instrument describes payment in (11) June or in (11) December, day 11 is deemed to be the due date, but payment is considered to be in due time when disbursed at the latest on day 18 in a month, or when the latter is a public holiday or a Saturday, on the following weekday. In case of other debt instruments the debtor is only entitled to days of grace when it is agreed.