



To the addressees  
listed in Annex 1

Dated 9 October 2015

**NOTIFICATION TO RELEVANT ENTITIES IN RESPECT OF THE RESOLUTION OF  
ANDELSKASSEN J.A.K. SLAGELSE UNDER KONTROL**

Dear Sirs,

Finansiel Stabilitet hereby request you to publish on your website the enclosed press releases and decisions by Finansiel Stabilitet on the resolution of Andelskassen J.A.K. Slagelse under kontrol on 5 October 2015.

This request is based on art. 83 paragraph 4 of the Directive 2014/59/EU of the European Parliament as implemented by Section 50 of the Danish Act no. 333/2015 on "*Restrukturering og afvikling af visse finansielle virksomheder*" establishing a framework for the recovery and resolution of credit institutions and investment firms.

Should you have any questions or comments, please do not hesitate to contact Jette Styrishave Kure, [jsk@finansielstabilitet.dk](mailto:jsk@finansielstabilitet.dk).

Yours sincerely,

Finansiel Stabilitet

Annex 1: Names of addressees

Annex 2: Press releases

Annex 3: Decision 1 by Finansiel Stabilitet relating to Andelskassen J.A.K. Slagelse

Annex 4: Decision 2 by Finansiel Stabilitet relating to Andelskassen J.A.K. Slagelse



Annex 1: Names of addressees

1. Andelskassen J.A.K. Slagelse  
Løvegade 63  
4200 Slagelse  
Denmark
2. Finanstilsynet  
Århusgade 110  
2100 København Ø  
Denmark  
E-mail: [kda@ftnet.dk](mailto:kda@ftnet.dk)
3. EBA  
One Canada Square (Floor 46)  
Canary Wharf  
London E14 5AA  
UK  
E-mail: [info@eba.europa.eu](mailto:info@eba.europa.eu)



Annex 2: Press releases  
*(enclosed as a separate document)*



Finansiel Stabilitet  
Kalvebod Brygge 43  
DK-1560 Copenhagen V

**Announcement**  
5 October 2015

## **Finansiel Stabilitet exercises control over Andelskassen J.A.K. Slagelse**

The Danish Financial Supervisory Authority has notified Finansiel Stabilitet that Andelskassen J.A.K. Slagelse is failing and that there is no prospect for a private sector solution to Andelskassen's lack of capital. Against that background it is Finansiel Stabilitet's opinion that the conditions for resolution set out in the Danish Act on Restructuring and Resolution of Certain Financial Businesses are met.

Finansiel Stabilitet has therefore decided to exercise control over Andelskassen with immediate effect. This decision implies that Finansiel Stabilitet will make decisions on behalf of the members and the board of directors. The board of directors of Andelskassen has been terminated with immediate effect and cannot enter into any commitments on behalf of Andelskassen.

Andelskassen J.A.K. Slagelse comprises, in addition to the headquarters in Slagelse, the branches in Brenderup (Andelskassen J.A.K. Brenderup), Nykøbing Mors (Andelskassen J.A.K. Morsø) and Thisted (Thisted Andelskasse).

Andelskassen will still be able to provide services to its customers from Tuesday morning. Thus, the customers will have access to basic banking services also after Finansiel Stabilitet's takeover.

Finansiel Stabilitet has initiated an interim valuation of Andelskassen. Against that background all members, subordinated creditors and ordinary unsecured creditors must expect for the present that their claims against Andelskassen will be written down entirely and are therefore lost. Customers with deposits up to Euro 100,000 are fully covered by the Danish Guarantee Scheme for Depositors and Investors (*Garantiformuen*), see more details at [www.gii.dk](http://www.gii.dk).

Finansiel Stabilitet will Monday evening implement the measures required to resolve Andelskassen and issue a press release in that regard.

Transactions made after this announcement of Finansiel Stabilitet's control of Andelskassen will be carried out in the context of "Andelskassen under kontrol" (subject to Finansiel Stabilitet's control). Consequently, it will not be possible for creditors or depositors to take actions to avoid losses.

### **Further information:**

CEO Henrik Bjerre-Nielsen, tel. +45 21 14 21 11

Or press contact at tel. +45 24 76 35 90



Finansiel Stabilitet  
Kalvebod Brygge 43  
DK-1560 Copenhagen V

**Announcement**  
5 October 2015

## **Finansiel Stabilitet implements resolution tools and powers to resolve Andelskassen J.A.K. Slagelse**

Today, at 6:00 p.m., Finansiel Stabilitet announced its assumption of control of Andelskassen J.A.K. Slagelse.

On Monday evening Finansiel Stabilitet implemented various measures intended to secure an appropriate and controlled resolution of Andelskassen.

Finansiel Stabilitet has appointed new members of the board of directors and new executive management of Andelskassen. The board of directors now consists of Henrik Bjerre-Nielsen (chairman), Marianne Simonsen (vice chairman) and Lise Gronø. The board of directors has appointed Jens Verner Andersen as new executive manager.

Finansiel Stabilitet has established a new subsidiary, Broinstitut I A/S, which will take over the ownership of Andelskassen. At the same time, the existing contributed capital has been written down to zero, and all members must consider their capital contributions lost.

Furthermore, subordinated creditors and ordinary unsecured creditors have preliminarily been written down to zero.

Each affected member and creditor will as soon as possible receive individual notice of the preliminary write-down.

The interim valuation suggests that the Danish Guarantee Scheme for Depositors and Investors (*Garantiformuen*) may have to contribute to cover the losses in Andelskassen.

Finansiel Stabilitet has initiated a final valuation of Andelskassen. The final valuation will be carried out by the independent valuation accountant H. C. Krog, PWC. Once the final valuation is available, Finansiel Stabilitet may reassess the preliminary write-downs.

### **Further information:**

CEO Henrik Bjerre-Nielsen, tel. +45 21 14 21 11

Or press contact at tel. +45 24 76 35 90



Annex 3: Decision 1 by Finansiel Stabilitet relating to Andelskassen J.A.K. Slagelse  
*(enclosed as a separate document)*

**FIRST DECISION BY FINANSIEL STABILITET  
ON THE RESOLUTION OF ANDELSKASSEN J.A.K. SLAGELSE  
DATED 5 OCTOBER 2015**

**1. BACKGROUND**

- 1.1 Finansiell Stabilitet has been given certain powers under the Danish Act on Restructuring and Resolution of certain Financial Businesses (the "Act") which implements Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms ("BRRD").
- 1.2 This decision relates to the resolution of Andelskassen J.A.K. Slagelse, CVR no. 79399612, Løvegade 63, 4200 Slagelse, Denmark (the "Institution") pursuant to the Act.
- 1.3 On 2 March 2015, the Danish Financial Supervisory Authority (the "FSA") ordered the Institution to submit a recovery plan and to take the necessary steps to meet the solvency requirement. The Institution's attempts to meet the solvency requirement set out in the recovery plan have failed. The FSA has on 2 October 2015 notified Finansiell Stabilitet that the Institution is likely to fail (*forventligt nødlidende*), see section 224 a of the Danish Financial Business Act (the "FBA"). The FSA has on 5 October 2015, after consulting Finansiell Stabilitet, notified Finansiell Stabilitet that there are no alternative measures available within a reasonable time to prevent the failure of the Institution.
- 1.4 In accordance with the Section 7 of the Act, Finansiell Stabilitet has prepared an interim valuation of the Institution dated the date hereof (the "Interim Valuation").

**2. CONSIDERATIONS**

For the purpose of the decision, Finansiell Stabilitet has considered the following:

- a) that the FSA has informed Finansiell Stabilitet that the Institution is likely to fail and that there are no alternative measures available within a reasonable time to prevent the failure of the Institution;
- b) that the conditions for resolution of the Institution set out in section 4(1) of the Act are fulfilled, including that resolution in accordance with the Act is in the public interest, having regard to the resolution objectives set out in section 5 of the Act, as such resolution will allow critical functions to continue and protect depositors and client funds which resolution objectives will not be met if the Institution is subject to bankruptcy proceedings;
- c) the resolution principles set out in i.a. section 12(4) of the Act, including (i) that the creditors will bear losses in accordance with the order of priority in bankruptcy proceedings, (ii) that the Institution's board of directors and executive board will be replaced, (iii) that equal ranking creditors are treated equally unless otherwise provided in the Act, and that (iv) no creditor will incur any loss which is higher than if the Institution had been subject to bankruptcy proceedings; and

d) the valuation of the Institution set out in the Interim Valuation.

### **3. DECISION**

Based on the above considerations, Finansielt Stabilitet has decided to exercise control over the Institution under section 15 of the Act (implementing Article 72 of BRRD) with effect from 5 October 2015 at 17:30 by assuming the powers conferred upon the Institution's board of directors and members. The Institution's executive board and the board of directors are terminated and Finansielt Stabilitet appoints Henrik Bjerre-Nielsen, Marianne Simonsen and Lise Gronø as new members of the board of directors and Jens Verner Andersen as new manager.

### **4. PUBLICATION**

In accordance with Article 83(2) of BRRD, this decision is sent to the Institution, the FSA, Danmarks Nationalbank, the Danish Ministry of Business and Growth, the Danish Macroprudential Authority (Det Systemiske Risikoråd), the ESRB, the European Commission, the European Central Bank, ESMA, the European Supervisory Authority (European Investment and Occupational Pensions Authority) (EIOPA), EBA and system operators (if relevant).

The decision will be made available to the public in accordance with section 50 of the Act and Article 83(4) of BRRD.

5 October 2015

Finansielt Stabilitet

Henrik Bjerre-Nielsen





Annex 4: Decision 2 by Finansiel Stabilitet relating to Andelskassen J.A.K. Slagelse  
(*enclosed as a separate document*)

**SECOND DECISION BY FINANSIEL STABILITET  
ON THE RESOLUTION OF ANDELSKASSEN J.A.K. SLAGELSE UNDER KONTROL  
5 OCTOBER 2015**

**1. BACKGROUND**

- 1.1 On 5 October 2015, Finansielt Stabilitet made the first decision ("**First Decision**") on resolution of Andelskassen J.A.K. Slagelse under kontrol, CVR no. 79399612, Løvegade 63, 4200 Slagelse, Denmark (the "**Institution**") under the Danish Act on Restructuring and Resolution of Certain Financial Businesses (the "**Act**")<sup>1</sup>, in which connection Finansielt Stabilitet decided to exercise control over the Institution. Reference is made to the First Decision for a description of the background for carrying out the resolution of the Institution.

**2. ADDITIONAL CONSIDERATIONS**

In addition to the considerations listed in the First Decision, Finansielt Stabilitet has considered the following:

- a) the setting up of a bridge institution and the transfer of the ownership of the Institution to the bridge institution will enable Finansielt Stabilitet to carry on the operation of the Institution for the purpose of selling and resolving the Institution under the right conditions;
- b) the interim valuation<sup>2</sup> implies that it is necessary to cancel the contributed capital, to write down relevant capital instruments and to carry out a bail-in for loss absorption of all subordinated obligations and certain obligations that are not subordinated; and
- c) amendment of certain contracts may be necessary in order to ensure that losses are borne in the same way as if the Institution had been subject to bankruptcy proceedings.

**3. DECISION**

Based on the considerations above and in the First Decision, Finansielt Stabilitet decides as follows:

- a) that the contributed capital in the Institution shall be cancelled in accordance with section 44 of the Act (which implements article 47 of the BRRD), which implies that the contributed capital of the existing members is cancelled and that the members will stop being members of the Institution effective as of 5 October 2015;
- b) that all the relevant capital instruments of the Institution are written down to zero on 5 October 2015 in accordance with sections 17 and 18 of the Act (which implement articles 59 and 60 of the BRRD);
- c) that the Danish resolution financing arrangement (Afviklingsformuen) of Finansielt Stabilitet shall set up a bridge institution (the "**Bridge Institution**") pursuant to section 21 of the Act (which implements article 40 of the BRRD), which shall contribute new capital to the Institution on 5 October 2015 and thereby take over the ownership of the Institution;

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<sup>1</sup> The Act implements Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms ("**BRRD**").

<sup>2</sup> In accordance with section 7 of the Act, Finansielt Stabilitet has prepared an interim valuation on 5 October 2015.

- d) that bail-in for loss absorption is carried out pursuant to section 24 of the Act (which implements articles 43 and 46 of the BRRD) in respect of all other subordinated obligations of the Institution, so that such obligations are written down to zero;
- e) that bail-in for loss absorption is carried out pursuant to section 24 of the Act (which implements articles 43 and 46 of the BRRD) in respect of all those obligations of the Institution which would constitute obligations under section 97 of the Danish Bankruptcy Act, except for obligations exempted from bail-in pursuant to section 25 of the Act (which implements parts of articles 44, 48 and 103 of the BRRD), so that such obligations are written down to zero;
- f) that bail-in for loss absorption is carried out pursuant to section 24 of the Act (which implements articles 43 and 46 of the BRRD) in respect of all those obligations of the Institution relating to deposits from natural persons and micro, small and medium-sized enterprises, which due to the maximum amounts set out in sections 9 and 10 of the Danish Act on a Guarantee Scheme for Depositors and Investors are not covered by the Danish Guarantee Scheme for Depositors and Investors (Garantiformuen), so that such obligations are written down to zero;
- g) that bail-in for loss absorption is carried out pursuant to section 24 of the Act (which implements articles 43 and 46 of the BRRD) in respect of the Institution's obligations to the Danish Guarantee Scheme for Depositors and Investors (Garantiformuen) to cover depositors pursuant to the Danish Act on a Guarantee Scheme for Depositors and Investors; and
- h) that Finansielt Stabilitet may amend the Institution's contracts in accordance with section 30 of the Act (which implements parts of articles 63 and 64 of the BRRD), so that obligations to the relevant opposing parties can be adjusted in the same way as if the Institution had been adjudicated bankrupt.

Bail-in pursuant to d), e), f) and g) above shall be effective as of 5 October 2015 and will be based on the interim valuation. No bail-in will be carried out in respect of obligations that cannot be bailed in pursuant to the Act. Finansielt Stabilitet will announce the percentage rate at which the obligations in g) above will be written down as soon as Finansielt Stabilitet can determine that rate. If bail-in is subject to registration in systems etc., the bail-in will be carried out in respect of the relevant obligations as soon as possible.

Further to this decision, the board of directors of the Institution will adopt a capital increase in the Institution, in which connection the Bridge Institution will become the only member of the Institution.

#### **4. PUBLICATION**

In accordance with Article 83(2) of the BRRD, this decision will be sent to the Institution, the Danish Financial Supervisory Authority, the Danish National Bank, the Danish Ministry of Business and Growth, the Danish macroprudential authority (Det Systemiske Risikoråd), the ESRB, the Commission, the European Central Bank, ESMA, the European Supervisory Authority (European Investment and Occupational Pensions Authority) (EIOPA), EBA and system operators (if relevant).

This decision will be made public in accordance with section 50 of the Act and article 83(4) of the BRRD.

Furthermore, in accordance with section 16 of the Executive Order on Resolution Measures, Finansielt Stabilitet will give individual notice to owners and creditors whose claims have been written down due to the resolution of the Institution.

5 October 2015

Finansielt Stabilitet

Henrik Bjerre-Nielsen