

**FIRST DECISION BY FINANSIEL STABILITET
ON THE RESOLUTION OF KØBENHAVNS ANDELSKASSE
DATED 13 SEPTEMBER 2018**

1. BACKGROUND

- 1.1 This decision relates to the resolution of Københavns Andelskasse, CVR no. 82112219, Gammeltorv 4, 2., 1457 Copenhagen K, Denmark (the "**Institution**") under the Danish Act on Restructuring and Resolution of certain Financial Businesses (the "**Act**") which implements part of 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 After having consulted Finansielt Stabilitet, the Danish Financial Supervisory Authority (*Finanstilsynet*) (the "**FSA**") has on 13 September 2018 notified Finansielt Stabilitet that the Institution is likely to fail (in Danish: "*forventligt nødlidende*"), see Section 224a(1), no. 1, of the Danish Financial Business Act (the "**FBA**"). The FSA has on 13 September 2018 notified Finansielt Stabilitet that there are no alternative measures available within a reasonable timeframe to prevent the failure of the Institution.

2. DECISION

- 2.1 Based on the below considerations, Finansielt Stabilitet has decided:
- a) to exercise control over the Institution under Section 15 of the Act¹ with effect from 13 September 2018 at 20:00 by assuming the powers conferred upon the Institution's board of directors and members; and
 - b) to remove the Institution's executive board and board of directors and to appoint Henrik Bjerre-Nielsen, Marianne Simonsen and Lise Grønø as new members of the board of directors and Jens Verner Andersen as new manager.

3. CONSIDERATIONS

- 3.1 For the purpose of the decision, Finansielt Stabilitet has considered the following:
- a) that the FSA has informed Finansielt Stabilitet that the Institution is likely to fail and that there are no alternative measures available within a reasonable timeframe 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; and
 - c) that 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.

¹ Which implements Article 72 of BRRD

4. PUBLICATION

- 4.1 In accordance with Article 83(2) of BRRD, this decision will be sent to the Institution, the FSA, Danmarks Nationalbank, the Danish Ministry of Business, 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).
- 4.2 The decision will be made available to the public in accordance with Section 50 of the Act and Article 83(4) of the BRRD.

13 September 2018

Finansiel Stabilitet

Henrik Bjerre-Nielsen