

**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