



Announcement  
3 February 2009

CVR no.: 30 51 51 45

### **Application for individual government guarantee for ordinary, unsecured debt**

From 4 February 2009 until 31 December 2010, Danish banks, subsidiaries of foreign banks operating in Denmark and Mortgage Credit Institutions may apply for an individual government guarantee for existing and new unsubordinated, unsecured debt and for the funding of supplementary collateral (junior covered bonds) by an institution issuing covered bonds and covered mortgage bonds or Danish Ship Finance A/S.

The guarantee applies for not more than three years.

Guarantee applications should be submitted to Afviklingsselskabet til sikring af finansiel stabilitet A/S.

Applications may be submitted electronically to [mail@finansielstabilitet.dk](mailto:mail@finansielstabilitet.dk) or by post to Dronningens Tværgade 4, 1st floor, DK-1302 Copenhagen K.

#### *Information*

The application must include information about the underlying loan, including information about amount, currency and maturity.

The following information must be enclosed with the application:

1. A statement of the individual solvency need and information on any higher individual solvency requirements fixed by the Danish FSA pursuant to section 124 of the Danish Financial Business Act.
2. A statement from the credit institution on the institution's financial position and a motivated assessment of expected financial developments in the three years ahead.
3. A statement from the institution's appointed auditors providing reasonable assurance concerning the matters set out in item 2 above.
4. The most recent annual report and the most recent quarterly financial statements.
5. Information in respect of whether the institution has applied for or expects to apply for a state-funded capital injection and, if so, whether the institution, in its own assessment, qualifies for such funding.

Set up under the Act on Financial Stability, the purpose of **Afviklingsselskabet til sikring af finansiel stabilitet A/S** is to ensure that the claims of unsecured creditors against banks and bank branches comprised by the guarantee scheme are covered.

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In addition to this, it will be assessed for each individual application whether further information is needed.

#### *Terms*

Institutions which have received a government guarantee for ordinary, unsecured debt may not pay out dividends during the term of the guarantee.

However, this rule does not apply after 1 October 2010 if the dividends paid can be funded within the limits of the institution's profit for the year and if the dividend payments do not exceed what is reasonable having regard to the company's and, for groups, the parent company's financial position.

Institutions receiving guarantees may not implement any capital reductions, initiate any new programmes to buy back own shares, issue any bonus shares at a discount or apply any other similar, favourable programmes.

However, this does not apply to a buyback of the State's shares in full or in part as a part of the settlement of a state-funded capital injection into the institutions in which the State has a right of conversion.

In addition, it will be assessed for each individual application whether additional terms are necessary.

The Minister for Economic and Business Affairs will shortly issue an executive order on individual government guarantees. In connection with this, further requirements regarding the application process, disclosure of information, fixing and calculation of the guarantee commission as well as rules concerning terms may be added.

#### *Announcement*

The Financial Stability Company will announce the names of credit institutions which have received a government guarantee and information about the guarantee and the underlying loan.

#### **For additional information, please contact:**

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