

6 July 2015

# THE GUARANTEE FUND

(Garantiformuen)

## What is the Guarantee Fund?

The Guarantee Fund is the Danish guarantee scheme covering depositors and investors of institutions that are comprised by the Guarantee Fund and become subject to reconstruction or bankruptcy proceedings.

## What amount does the Guarantee Fund cover?

The Guarantee Fund covers deposits and cash funds of eligible depositors and investors up to an amount equal to EUR 100,000 (about DKK 750,000).

## Who is covered?

You are covered by the Guarantee Fund if your deposit or your cash funds are registered in your name. This does not apply, however, if it can be documented that you are not the beneficial owner of the deposit or cash funds. In that case, the beneficial owner is covered by the Guarantee Fund.

If you have a joint account with your spouse or another person, you will each be entitled to coverage of up to EUR 100,000 because you are considered to be independent depositors for your individual shares.

If an account is held by a legal person (a company or an association, for example), the legal person is covered.

## What if I also have a loan?

If you have a loan and the entire loan or any loan payments are due for payment, the amount covered by the Guarantee Fund is calculated as your deposit less the amount due.

However, if your loan is financed by so-called covered bonds (Danske Prioritet Plus, for example), the amount due is not deducted from your deposit.

## Special coverage

Some deposits are covered by more than the general cover of EUR 100,000:

### *Pension savings accounts*

The Guarantee Fund covers the full amount of your pension savings accounts pursuant to the legislation on, for example, capital pensions, annuity pensions and retirement pensions.

This means that the EUR 100,000 limit does not apply to such accounts.

### *Deposits with social purposes etc.*

The Guarantee Fund covers eligible deposits that have a social purpose pursuant to legislation and are linked to special life events such as marriage, divorce, disability or death. The fund also covers deposits originating from damages or compensation paid pursuant to legislation or from damage or injury resulting from a criminal act or miscarriage of justice.

Such deposits are covered by up to EUR 150,000 per eligible depositor for a period of up to six months after the amount was deposited, regardless of whether or not the amount is held in a separate account.

### *Deposits relating to real property*

The Guarantee Fund covers eligible deposits from transactions relating to real property if the real property was used or is intended mainly for non-commercial purposes.

Examples of transactions covered:

- Deposits of purchase sums in connection with sales
- Deposits in the form of proceeds from loans secured on real property and funded by mortgage bonds

The Guarantee Fund covers amounts up to EUR 10 million for a period of up to 12 months after the amount was deposited, regardless of whether or not the amount is held in a separate account.

## Securities

If you hold securities in your own custody account with VP Services or elsewhere, your securities will be delivered to you directly.

If securities kept in custody, administered or managed by us cannot be delivered to you, the Guarantee Fund will generally cover an amount of up

to EUR 20,000. If the custody account is held jointly by you and another person, you will each be covered up to an amount of EUR 20,000.

#### What is not covered by the Guarantee Fund?

The Guarantee Fund does not cover

- guarantee commitments
- cheques
- securities, including shares, capital certificates or bonds issued by Danske Bank
- deposits from certain depositors, such as other banks, mortgage credit institutions, financing companies, insurance companies and public authorities
- Structured deposits where the deposits is not required to be paid in full on expiry of the commitment period
- Deposits in child savings accounts.

\*Read more under 'Transitional rules in relation to the previous deposit guarantee scheme'.

#### How are payments made from the Guarantee Fund?

Not later than five business days after commencement of reconstruction or bankruptcy proceedings, the Guarantee Fund will send you a statement of your total balance together with guidelines on how to proceed (the guidelines will also be available at the fund's website).

When you have received the statement, your new bank will help you file a claim with the Guarantee

Fund. The Guarantee Fund will pay the deposits to your new bank within seven business days.

You can contact the Guarantee Fund at this address:

Garantiformuen  
Sankt Annæ Plads 13, 2.tv.  
DK-1250 København V  
Denmark  
Tel. +45 33 14 62 45  
E-mail: [gji@gji.dk](mailto:gji@gji.dk)  
Website: [gji.dk](http://gji.dk)

If you have not received the payment within seven business days, we recommend that you contact the Guarantee Fund as you may need to observe a deadline for claiming payment.

#### Transitional rules in relation to the previous deposit guarantee scheme

The rules described above apply from 1 June 2015. Up until that date, a number of special deposits were fully covered.

Deposits that were fully covered until 1 June 2015:

- Deposits in child savings accounts
- Deposits in establishment accounts
- Deposits in lawyers' client accounts
- Deposits held in trust by approved trust departments under part 5 of the Danish Guardianship Act

- Deposits held in trust by approved trust departments under sections 54 and 61 of the Danish Inheritance Act

As of 1 June 2015, deposits in such accounts are no longer fully covered, as they are comprised by the general coverage only. Deposits in child savings accounts registered for Puljeinvest are not covered, with the exception of deposits placed in the Kontant (cash) pool.

Amounts that were deposited in the accounts at 31 May 2015 remain fully covered, however, pursuant to transitional rules under the legislation on deposit guarantees.

#### More information

You can read more about the Guarantee Fund here:

- [gji.dk](http://gji.dk) (website of the Guarantee Fund)
- [finansstilsynet.dk](http://finansstilsynet.dk)
- [danskebank.dk](http://danskebank.dk)