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_Lakshimi Swaminathan_²

Yale Program on Financial Stability Case Study
March 28, 2024

Abstract

Andelskassen J.A.K. Slagelse was a small Danish cooperative bank with fewer than 4,000 depositors in 2015. Late that year, owing to years of corporate misgovernance and concentrated exposures to large borrowers, Andelskassen found itself on the brink of insolvency. On October 5, 2015, the Danish Financial Supervisory Authority (DFSA) notified the country’s resolution authority, the Financial Stability Company (FSC), that Andelskassen could not meet its solvency requirement and that its resolution was in the public interest. Consequently, the FSC took over the bank, wrote down all relevant capital instruments to zero, imposed losses on uninsured depositors and other creditors, and injected capital into a new bridge bank. Andelskassen was the first bank in Denmark to be resolved using principles of the European Union’s Bank Recovery and Resolution Directive (BRRD), which went into effect in Denmark in June 2015. The FSC’s Depositor and Investor Guarantee Scheme, through its Guarantee Fund, participated in losses to protect depositors. The Guarantee Fund provided 74.9 million Danish kroner (DKK) to the bridge bank in the form of an unfunded commitment on which it ultimately paid DKK 49 million. Creditors and uninsured depositors experienced losses of DKK 21.6 million from the bail-in. Equity shareholders, with book value estimated at DKK 12 million, were wiped out. After the proposed sale of Andelskassen to Swedish financial services firm Netfonds Holding AB fell through, the FSC initiated liquidation of the bank in October 2016. The liquidation is ongoing as of the writing of this case. The FSC still reported book value of equity of DKK 29.1 million in the bank at the end of 2022, versus DKK 37.5 million initially invested.

_**Keywords:**_ Andelskassen J.A.K., BRRD, Denmark, deposit guarantee, liquidation, resolution

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¹ This case study is part of a Yale Program on Financial Stability (YPFS) selection of New Bagehot Project modules considering bank resolutions and restructurings. A survey of all the cases in this series (McNamara et al. 2024) and the individual cases underlying it are available from the _Journal of Financial Crises_ at https://elischolar.library.yale.edu/journal-of-financial-crisis/vol6/iss1/.

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Overview

This module describes the resolution of J.A.K. Andelskassen Slagelse.

Andelskassen was a small Danish cooperative bank established in 1985 (Rasmussen and Hansen 2016). Beginning in 2010, the Danish Financial Supervisory Authority (DFSA) regularly investigated the bank for deficiencies caused by concentrated exposures to large borrowers (Høie 2015; Olling 2016). This had caused issues in the solvency ratios of Andelskassen (FSC 2015a; Sehested 2015). On March 2, 2015, an inspection by the DFSA revealed that Andelskassen had a solvency ratio of 17.3% against the threshold requirement of 21.3%, according to news reports (Sehested 2015). The DFSA ordered Andelskassen to produce a recovery plan and initiate steps to meet the solvency requirement (Andelskassen 2016a; FSC 2015a; Sehested 2015).

With Andelskassen still unable to meet its solvency requirement, on October 2, 2015, the DFSA informed Andelskassen that it had until October 4, 2015, to build capital by 8.25 million Danish kroner (DKK; USD 1.2 million). The DFSA rejected Andelskassen’s request for an extension to October 10, and Andelskassen was unable to meet the October 4 deadline (Sixhøj 2015b).

Following the missed deadline, on October 5, 2015, the Financial Stability Company (FSC), Denmark’s national resolution authority, initiated measures to resolve Andelskassen after being notified by the DFSA that resolution was in the public interest (Ritzau 2016; Sixhøj 2015b). The FSC took over the bank, wrote down creditors and uninsured depositors for DKK 21.6 million, and established a bridge bank to which it

Key Terms

| Purpose | The DFSA determined that Andelskassen’s attempts to meet the solvency requirement set out in its recovery plan had failed and notified the FSC to proceed with the resolution, since it was in public interest and alternative measures were not available |
| Size and Nature of Institution | Small cooperative bank with approx. 4,000 depositors with total deposits of about DKK 250 million as of 2015 |
| Source of Failure | Inadequate capital caused by credit losses |
| Start Date | October 5, 2015 |
| End Date | Ongoing at the time of writing the case |
| Approach to Resolution and Restructuring | Ownership transferred to a bridge bank, with official capital injection, after writing down relevant capital instruments followed by liquidation of troubled entity |
| Outcomes | The Guarantee Fund guaranteed DKK 74.9 million and got back DKK 25.9 million, for a net loss of DKK 49 million before interest. As of 2022, the book value of equity held in FS Finans V A/S amounted to DKK 29.1 million, compared to the original DKK 37.5 million held by the FSC |
| Notable Features | Creditors and a small number of uninsured depositors lost DKK 21.6 million in the bail-in; First bank to bail in uninsured depositors and senior creditors using BRRD in Denmark; All eligible depositors with deposits up to EUR 100,000 (DKK 750,000; USD 113,000) were protected from the bail-in |

3 According to FRED, USD 1 = DKK 6.66 on October 5, 2015.
transferred ownership of Andelskassen. The Resolution Fund, the national body that coordinates with the FSC to fund resolutions of Danish banks, injected DKK 37.5 million of capital into this bridge bank (FSC 2015a; FSC 2016g). Andelskassen was the first bank in Denmark to be resolved using the principles of the Bank Recovery and Resolution Directive (BRRD), the framework for resolving banks adopted in the European Union (EU) following the Global Financial Crisis of 2007–2009 (GFC) (World Bank 2016). The FSC’s Depositor and Investor Guarantee Scheme, through its Guarantee Fund, participated in losses to protect depositors (IMF 2020). Figure 1 shows the timeline of events pertinent to the resolution of Andelskassen.

**Figure 1: Timeline of Andelskassen’s Resolution**

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 2, 2015</td>
<td>DFSA orders Andelskassen to submit a recovery plan and to take necessary steps to meet solvency requirements.</td>
</tr>
<tr>
<td>Oct. 2, 2015</td>
<td>DFSA notifies the FSC that Andelskassen is likely to fail.</td>
</tr>
<tr>
<td>Oct. 5, 2015</td>
<td>DFSA notifies the FSC that Andelskassen is insolvent and that there is no possibility of finding a private solution. FSC announces the takeover of Andelskassen for resolution based on an interim valuation report. FSC makes a capital injection of DKK 37.5 million into the bridge bank, Broinstitut I A/S, as part of the resolution measures.</td>
</tr>
<tr>
<td>Jan. 21, 2016</td>
<td>FSC initiates the sale process for Andelskassen and projects the sale to close in March 2016.</td>
</tr>
<tr>
<td>March 18, 2016</td>
<td>FSC enters into a sale agreement with Netfonds Holding AB (Netfonds), subject to the approval of the DFSA, with the transaction expected to be completed in Q2 2016.</td>
</tr>
<tr>
<td>April 27, 2016</td>
<td>PwC releases its valuation report for Andelskassen, identifying a DKK 96.4 million shortfall on the bank’s balance sheet.</td>
</tr>
<tr>
<td>April 29, 2016</td>
<td>FSC announces that it will address the DKK 96.4 million shortfall through the DKK 21.6 million write-down of creditors and DKK 74.9 million from the Guarantee Fund</td>
</tr>
<tr>
<td>Oct. 31, 2016</td>
<td>Because Netfonds does not obtain the DFSA’s approval by October 31, 2016, the sale falls through and the FSC decides to liquidate Andelskassen.</td>
</tr>
<tr>
<td>May 31, 2017</td>
<td>Andelskassen loses its license and becomes a financial company with the name FS Finans V A/S, from which settlement of the remaining loans will take place.</td>
</tr>
<tr>
<td>2023</td>
<td>Liquidation is ongoing at the time of writing the case.</td>
</tr>
</tbody>
</table>

Source: Author’s analysis.

Following an unsuccessful attempt by the FSC to sell Andelskassen off to Netfonds Holding AB (Netfonds), a Swedish financial services firm, the FSC decided to liquidate Andelskassen (FSC 2016c; FSC 2016e). The liquidation is ongoing as of the writing of this case (FSC 2023). The FSC still had equity of DKK 29.1 million in the bank at the end of 2022, versus DKK 37.5 million initially invested, for a DKK 8.4 million loss before interest or dividends (FS Finans V 2023). The bridge bank paid the Guarantee Fund DKK 25.9 million in 2016, bringing the total cost to the fund for guaranteeing the depositors to DKK 49 million (FSC 2017; FS Finans V 2018).
Summary Evaluation

A World Bank report describes the resolution of Andelskassen as a “successful and smooth open bank bail-in including write-down of uninsured depositors” (World Bank 2016, 28). The report states that the resolution ensured private loss absorption while ensuring continuity of services. The World Bank report also states that although Andelskassen ultimately had to be liquidated, there would be little change in financial stability and sharing of burdens, since private stakeholders had already absorbed the losses through the bail-in and Andelskassen was restored through the capital injection. Notwithstanding the logistical difficulty connected to transferring deposits faced by depositors, the report finds the orderly resolution process preferable to a bankruptcy (World Bank 2016).

However, scholars from the European Corporate Governance Institute have deemed the outcome of the resolution unsuccessful despite the speed of the processes, since the unsuccessful attempt to sell the bridge bank to a third party pushed the bridge bank into liquidation. They assert that this uncertainty raised questions on factoring in risk of future losses, thus challenging the notion that liquidation was a cheaper option to bankruptcy (Ventoruzzo and Sandrelli 2019).

Members of Red Andelskassen, a group of private investors who attempted to purchase the bank in an effort to find a private solution, criticized the DFSA for a lack of response to their proposed takeover of Andelskassen in October 2015 (Lund-Hansen 2015d).

An investigative report produced by the law firm Kromann Reumert concludes that there was no way Andelskassen could have avoided an insolvency at the time of its takeover, because of the factors—loan exposure, credit risk, and the like—that drove the collapse (Rasmussen and Hansen 2016).
<table>
<thead>
<tr>
<th><strong>Context: Denmark, J.A.K. Andelskassen Slagelse, 2014–2015</strong></th>
</tr>
</thead>
</table>
| **Assets** | **DKK 299.7 million** as of Dec. 31, 2014  
**DKK 306 million** as of Dec. 31, 2015 |
| **Liabilities** | **DKK 299.7 million** as of Dec. 31, 2014  
**DKK 306 million** as of Dec. 31, 2015 |
| **Deposits** | **DKK 260.3 million** as of Dec. 31, 2014  
**DKK 205.9 million** as of Dec. 31, 2015 |
| **Capital Ratio (Tier 1)** | No information |
| **Nonperforming Loans** | No information |
| **Market Share** | Less than 0.1% |
| **Banking System, % of GDP** | **183.4%** as of Dec. 31, 2014  
**180.0%** as of Dec. 31, 2015 |

Key Design Decisions

1. **Purpose:** When Andelskassen could not come up with the additional capital required to maintain solvency owing to years to corporate misgovernance and concentrated loan exposures, the FSC assumed control of the institution to ensure the continuation of all critical functions and to protect client funds and depositors.

On October 2, 2015, the DFSA informed the management of Andelskassen that it had until October 4, 2015, to boost the bank's capital by DKK 8.25 million to meet the solvency requirement and avoid resolution. However, efforts taken by director Wolmer Møller failed, since all the private actors Møller approached either lacked capital or thought that Andelskassen was beyond redemption. The latter belief was underscored by an annual report from BankResearch, a Danish think tank that analyzes the banking sector, which stated that Andelskassen was the riskiest Danish bank. Andelskassen requested a postponement for finding a private solution until October 10, 2015. The DFSA denied the requested extension, even though they did in fact move the final deadline from October 4 to 5, 2015 (Sixhøj 2015b).

On October 5, 2015, the DFSA informed the Financial Stability Company of J.A.K. Andelskassen’s failure to secure the additional capital required to meet solvency requirements (FSC 2015a; Ritzau 2016; Sixhøj 2015b). Further, DFSA advised the FSC that no other solution could solve the bank's problems in a timely manner (FSC 2015a; FSC 2016g). The FSC took control of Andelskassen and initiated resolution measures in accordance with the Danish Act on Restructuring and Resolution of Certain Financial Enterprises, which in turn implemented Directive 2014/59/EU of the BRRD (FSC 2015a; FSC 2016g) (see Key Design Decision No. 3, Legal Authority).

Before the decision by the DFSA and FSC to place Andelskassen in resolution, on March 2, 2015, after an inspection by the DFSA revealed that Andelskassen had a solvency ratio of 17.3% against the threshold requirement of 21.3%, it ordered Andelskassen to produce a recovery plan and initiate steps to meet the solvency requirement (FSC 2015a; Sehested 2016). The underlying cause of this was attributed to prolonged corporate misgovernance and a concentrated loan exposure, as laid out in an investigation report prepared by the law firm Kromann Reumert (Rasmussen and Hansen 2016).

A private investor, Jens Kindberg, attempted to intervene to purchase Andelskassen both before and after the resolution (Sixhøj 2016a; Sixhøj 2016c). In fact, the management of Andelskassen and Kindberg entered into an agreement on October 2, 2015, wherein Kindberg agreed to purchase loans worth DKK 1 million from Andelskassen so that a successful sale of Andelskassen to Arbejdernes Landsbank could be completed (Lund-Hansen and Johannesson 2015; Sixhøj 2016a). However, once the DFSA became aware of the deal, it imposed an additional requirement of establishing a holding company by October 5, 2015, which could not be completed (Lund-Hansen and Johannesson 2015). Kindberg alleged that the DFSA did not permit this arrangement to proceed and pressured the management to ask him to withdraw the deal. The DFSA denied these allegations (Sixhøj 2016a). Denmark's minister for business, Troels Lund Poulsen, ordered the DFSA and the
FSC to produce due explanation against Kindberg’s allegations (Sixhøj 2016b). Kindberg attempted to takeover Andelskassen for DKK 17 million on October 26, 2015, by collaborating with the group Red Andelskassen, which was composed of the erstwhile shareholders of Andelskassen (Lund-Hansen 2015c; 2015b). The DFSA and the FSC said that Kindberg’s proposed plans for the takeover of Andelskassen were not acceptable and opted to proceed with Andelskassen’s resolution and eventual planned sale to Netfonds. Netfonds owner Rolf Dammann’s stated intention was to transform Andelskassen into an investment bank (Sixhøj 2016c).

The FSC determined that Andelskassen met the necessary preconditions for resolution; namely, that (a) the enterprise was failing or was likely to fail (FOLTF), (b) alternative measures had been exhausted, and (c) a resolution was in the public interest. The FSC decided to go ahead with the resolution of Andelskassen to ensure the continuation of critical functions and to protect client funds and depositors, since liquidation would not have ensured these objectives. The FSC determined that the principles for resolution would be met, including:

- Loss-bearing by creditors according to the order of priority used in bankruptcy proceedings,
- Replacement of the bank’s board of directors and executive board,
- Equal treatment for equally ranking creditors unless otherwise provided in the Act, and
- No loss-bearing by a creditor greater than what it would have had to bear in the event of bankruptcy proceedings, although certain creditors did receive a small amount of these payments (see Key Design Decision No. 9, Treatment of Creditors and Equity Holders) (FSC 2015a).

Following BRRD principles, the FSC prepared an interim valuation report that guided its resolution decisions (FSC 2015a).

In October 2016, after the proposed sale of Andelskassen to Netfonds fell through when the latter failed to secure approval from the DFSA, the FSC decided to liquidate Andelskassen “based on the experience from the sale process and other circumstances about Andelskassen J.A.K. Slagelse under control” (FSC 2017, 43). The assessment report prepared by HC Krogh from PricewaterhouseCoopers (PwC) formed the basis for the final implementation of the liquidation (FSC 2016c).

The initial valuation report, prepared by the FSC in October 2015 in the interest of time, specified that all claims pertaining to the share capital, subordinated debt, claims of unsecured creditors, and uninsured deposits not covered by the Guarantee Fund would be lost (FSC 2017; IMF 2020). The FSC came up with a negative value for equity (assets minus liabilities) of DKK 556,000.
For the interim valuation of Andelskassen prepared by the FSC and reported by PwC, see Figure 2.

**Figure 2: FSC Interim Valuation Report for Andelskassen as of October 5, 2015 (DKK thousands)**

<table>
<thead>
<tr>
<th>Assests</th>
<th>Liabilities &amp; Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>792</td>
</tr>
<tr>
<td>Receivables from credit institutions</td>
<td>22,119</td>
</tr>
<tr>
<td>Loans before write-downs</td>
<td>268,491</td>
</tr>
<tr>
<td>Write-downs</td>
<td>(51,628)</td>
</tr>
<tr>
<td>Other assets</td>
<td>33,544</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>273,318</strong></td>
</tr>
<tr>
<td>Deposits</td>
<td>246,383</td>
</tr>
<tr>
<td>Debt to Credit institutions</td>
<td>6,259</td>
</tr>
<tr>
<td>Subordinated debt</td>
<td>16,780</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>4,452</td>
</tr>
<tr>
<td><strong>Total Liabilities &amp; Equity</strong></td>
<td><strong>273,874</strong></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td><strong>273,874</strong></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td><strong>(556)</strong></td>
</tr>
</tbody>
</table>

*Source: (PwC 2016).*

Following BRRD principles, PwC later produced three valuations: Valuation 1 formed the basis for determining whether rules for liquidation were met, including the FOLTF assessment. Valuation 1 estimated the equity shortfall at DKK 37 million, based on writing down DKK 85 million of nonperforming loans (PwC 2016).

Valuation 2 aimed to assess the economic value of assets and liabilities to ensure that losses were recognized in full. Valuation 2 valued the equity shortfall at DKK 96.4 million, based on writing down DKK 122.5 million of nonperforming loans (PwC 2016).

Valuation 3 aimed to ascertain the losses incurred by the members and creditors of Andelskassen in the event of bankruptcy (gone-concern basis), so that these losses could be compared with the losses incurred under resolution to conclude if resolution was preferred to bankruptcy. Valuation 3 valued the equity shortfall at DKK 142.7 million, assuming further write-downs of DKK 46 million due to lack of liquidity among customers. Thus, these valuations implied that resolution was the preferred alternative to bankruptcy proceedings, since creditors would have been worse off under bankruptcy proceedings (PwC 2016).

2. **Part of a Package: Andelskassen was not subjected to additional interventions in connection with its resolution.**

The resolution of Andelskassen took place in accordance with the template established by the BRRD that was transposed into Danish law with the passage of the Act on Restructuring and Resolution of Certain Financial Enterprises in 2015. The resolution entailed a capital injection worth DKK 37.5 million (FSC 2017; World Bank 2016). See Key Design Decision No. 8, Approach to Resolution and Restructuring for an in-depth discussion of this capital injection.

Since Denmark is a member of the European Union, it transposed the BRRD into national law, with the passage of the Act on Restructuring and Resolution of Certain Financial Enterprises on June 1, 2015 (Danish Government 2015; IMF 2020). It was this national law that was relevant to Andelskassen’s resolution; in fact, Andelskassen was the first bank to be resolved after the BRRD went into effect in Denmark (World Bank 2016).

Since Denmark is not a member of the EU Banking Union, the Single Resolution Mechanism (SRM) is not applicable to Danish banks (IMF 2020).

The relevant sections from Denmark's 2015 bank restructuring law appear in Figure 3 in the order in which J.A.K. Andelskassen applied them.

**Figure 3: Relevant Sections from Denmark’s Act on Restructuring and Resolution of Certain Financial Enterprises of 2015**

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 61</td>
<td>Requires the FSC to ensure financial stability in Denmark and empowers it to carry out resolution measures pursuant to the act</td>
</tr>
<tr>
<td>Section 12(1)</td>
<td>Empowers the FSC to choose the most appropriate resolution measure on a case-by-case basis that helps achieve resolution objectives after the conditions for resolution are met</td>
</tr>
<tr>
<td>Section 12(4)</td>
<td>Requires the FSC to ensure that: losses follow the order of priority of creditors, no creditors incur losses greater than under bankruptcy, creditors within the same class are treated in an equitable manner, and covered deposits are protected in full</td>
</tr>
<tr>
<td>Section 44</td>
<td>Allows the FSC to exercise its powers against the holders of instruments of ownership to write down the instruments in accordance with Section 17 of the act</td>
</tr>
<tr>
<td>Section 15(1)</td>
<td>Permits the FSC to assume control of the entity in resolution by assuming the powers conferred upon the shareholders and board of directors and take charge of the entity and manage and divest the assets and property of that entity</td>
</tr>
<tr>
<td>Section 16</td>
<td>Permits the FSC to appoint a special manager to assume responsibility for managing the entity under resolution</td>
</tr>
<tr>
<td>Section 18</td>
<td>States that the write-down of relevant capital instruments will be permanent and no compensation shall be paid to the holders of these relevant capital instruments by the entity under resolution, other than the amount they may be entitled to following the definitive valuation pursuant to Section 7(3) of the act</td>
</tr>
<tr>
<td>Section 21</td>
<td>Enables the FSC to transfer the instruments of ownership of the entity under resolution to a bridge institution without the consent of the shareholders. The bridge institution shall be established for the exclusive purpose of resolving the entity, and the funding is in accordance with sections 17, 24, and 59 of the act</td>
</tr>
<tr>
<td>Section</td>
<td>Description</td>
</tr>
<tr>
<td>---------</td>
<td>-------------</td>
</tr>
<tr>
<td>56(1)</td>
<td>Requires a resolution financing arrangement known as the Resolution Fund managed by the FSC to be established in connection with the resolution</td>
</tr>
<tr>
<td>59(1)</td>
<td>Permits the FSC to use the Resolution Fund to make capital injections to a bridge institution</td>
</tr>
<tr>
<td>21(5)</td>
<td>Allows the FSC to grant a liquidity facility to the bridge institution to finance the takeover of the assets and rights from the entity under resolution</td>
</tr>
<tr>
<td>26(2)</td>
<td>States that the Resolution Fund can make a contribution only when not less than 8% of the total liabilities has been written down at the time of resolution and the contribution does not exceed 5% of the total liabilities measured at the time of resolution</td>
</tr>
<tr>
<td>22</td>
<td>Ensures that the bridge institution is managed with an objective to maintain access to critical functions and sell the entity under resolution off to appropriate purchasers through an open and transparent sale process initiated by the FSC and also requires that the FSC cease operating the bridge institution as soon as possible and not later than two years after the date of initial transfer of assets and/or ownership. The same section further states that if the bridge institution ceases its operation, it will be liquidated or subjected to bankruptcy proceedings, depending on the circumstances</td>
</tr>
<tr>
<td>24</td>
<td>Empowers the FSC to apply bail-in for loss absorption and recapitalization of the entity under resolution based on a valuation done pursuant to Section 3 of the act</td>
</tr>
<tr>
<td>25</td>
<td>Requires that certain instruments be written down before being bailed-in; covered deposits cannot be bailed-in</td>
</tr>
<tr>
<td>46(1)</td>
<td>States that the bail-in will be immediately binding on the enterprise</td>
</tr>
<tr>
<td>19</td>
<td>Empowers the FSC to sell the entity under resolution without the consent of the shareholders</td>
</tr>
<tr>
<td>20(1)</td>
<td>States that the purchaser of the entity under resolution is required to gain approval from the DFSA for the sale to go through</td>
</tr>
</tbody>
</table>

Source: (Danish Government 2015).

In addition to the act on restructuring of 2015, certain sections of the Financial Business Act of 2008 were also used. Section 262 (1) of Part 17 of the Financial Business Act of 2008 permits the DFSA and the FSC to assess whether there are impediments to resolvability, while Section 264 empowers the DFSA to impose requirements on the institution to fulfill certain conditions. Section 264 grants discretionary power to the DFSA on what requirements it can impose and how it calculates those requirements (Danish Government 2019). Moreover, Part 16, which pertains to crisis management, states that if a bank fails to meet its capital requirement, the DFSA can convene the ultimate authority at three days’ notice to act on this deficiency (Danish Government 2019).

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4 This act was amended in 2019 and is now referred to as Financial Business Act of 2019 (Danish Government 2019).
4. **Administration: The DFSA and the FSC were responsible for the resolution of Andelskassen. The FSC was responsible for the administration of Andelskassen after assuming control.**

The two designated resolution authorities in Denmark were the DFSA and the FSC (EC 2021; IMF 2020).

On October 2, 2015, the DFSA notified the FSC that Andelskassen was likely to fail (FSC 2015a). On October 5, 2015, the FSC took over Andelskassen for resolution and established a new subsidiary, Broinstitut I A/S, through which it assumed ownership and control of Andelskassen (FSC 2015a; FSC 2016g). The FSC was an independent public entity, as designated in the Act on Restructuring and Resolution of Certain Financial Enterprises (Danish Government 2015; IMF 2020). The management board, appointed by the board of directors of the FSC, was in charge of the day-to-day management of the FSC (Danish Government 2015). The FSC appointed new members of the board of directors and executive management of Andelskassen (FSC 2015a).

The FSC controlled the Guarantee Fund, which committed to provide up to DKK 74.9 million to protect depositors who were covered by the Depositor and Investor Guarantee Scheme in Denmark and hence were excluded from the bail-in (IMF 2020).

On May 31, 2017, Andelskassen surrendered its banking license to the DFSA, and the FSC converted the bank to FS Finans V A/S to resolve the remaining loans of Andelskassen (FSC 2018). FS Finans V A/S was owned by the FSC through Broinstitut I A/S, and the board of directors and management were considered to be related parties of the FSC (FS Finans V 2019).

5. **Governance: The FSC was an independent body, whereas the DFSA was organized under the Ministry of Industry, Business and Financial Affairs.**

The FSC had a preapproved EU State Aid scheme for banks with balance sheet assets worth less than EUR 3 billion; thus, the FSC did not need to consult the EU each time it used the Resolution Fund to resolve Andelskassen (IMF 2020).

The FSC was an independent public company that was tasked with preparation of resolution plans and execution of such plans if a firm was insolvent. The Guarantee Fund has been a part of the FSC since 2015, as per the restructuring act (FSC n.d.a). The FSC has a board of seven members, with the chairman and deputy chairman being appointed by the minister for business and growth for a period of one year (FSC n.d.a; FSC n.d.b). The board appoints the management of the FSC. The management represents FSC as the shareholder in its subsidiaries (FSC n.d.b). As required by Section 50 of Part 8 of the act, the FSC was required to duly disclose to the public any resolution measure it undertook (see Key Design Decision No. 6, Communication and Disclosure) (Danish Government 2015).
6. Communication and Disclosure: On October 5, 2015, the FSC stated that the inability of Andelskassen to find a private solution to meet its solvency ratio necessitated resolution measures. The FSC issued official statements pertaining to the resolution of Andelskassen via press releases and annual reports.

Before the decision to resolve Andelskassen, the Danish press covered the DFSA’s firing of then-Andelskassen director Wolmer Møller for the violation of a money-laundering law and the financial indicators of Andelskassen that signaled trouble (Ritzau 2015; Sixhøj 2015a; 2015b). Articles in the press reported that a risk assessment report of Danish banks from BankResearch, a Danish think tank, ranked Andelskassen at the bottom of the list, indicating how risky the bank’s position was relative to other Danish banks (Sixhøj 2015b).

All communications pertaining to the resolution of Andelskassen were disseminated to the public through prompt official statements issued by the FSC, since Section 50 of Part 8 of the resolution act required the FSC to publicly disclose information pertaining to measures affecting creditors, customers, shareholders, and other parties involved (Danish Government 2015).

On October 5, 2015, the FSC issued an official statement announcing to the public its decision to initiate resolution for Andelskassen. This press release contained all the details of the actions the FSC would take—assuming control of Andelskassen, terminating the executive board and board of directors and appointing a new board, continuation of provision of services by the bank to the public, write-down of relevant capital instruments, guarantee of deposits up to EUR 100,000 for insured depositors, and making decisions on behalf of all members and shareholders (FSC 2015a). In a separate press release, also dated October 5, the FSC announced the decision to establish a new subsidiary, Broinstitut I A/S, to take ownership of Andelskassen and initiation of final valuation to be carried out by PricewaterhouseCoopers. It also publicly disclosed two statements—the first decision on the resolution of Andelskassen and the second decision on the resolution of Andelskassen—that detailed the reasons that justified decisions taken by the FSC on October 5, 2015 (see Key Design Decision No. 1, Purpose) (FSC 2015a).

The FSC notified the public through press releases regarding the planned sale of Andelskassen to Netfonds in March 2016 and the abandonment of the sale thereafter in October 2016 (FSC 2016b; FSC 2016d). The other steps involved in the resolution process—liquidation of Andelskassen, suspension of its bank license, and conversion of Andelskassen into a financial company—were also communicated to the public through official statements from the FSC. One such statement even “encouraged” customers to find a new bank (FSC 2016f).

Although the resolution measures were disclosed in full to the public through these official statements, the FSC stayed silent on the nuances pertaining to many such measures. For instance, the official statement from the FSC mentioned that the proposed sale of Andelskassen to Netfonds fell through owing to the failure of the latter to secure approval from the DFSA, though neither the FSC nor the DFSA publicly disclosed the reason for the non-approval (FSC 2016d). Another noteworthy silence was the lack of a report or disclosure...
from the DFSA or the FSC mentioning the takeover (which ultimately failed) initiated by Jens Kindberg and Red Andelskassen as a private solution to solve Andelskassen’s capital shortfall, even though this was covered by the Danish press (Finans 2015; Lund-Hansen 2015a; Lund-Hansen and Johannesson 2015). Similarly, while the FSC informed the public of its decision to inject DKK 37.5 million into the bridge institution to recapitalize Andelskassen, it does not appear to have provided any additional information pertaining to the nuances of this capital injection.

The FSC has disclosed information pertaining to the resolution of Andelskassen in annual reports, as well as in the annual reports of FS Finans V A/S (FSC 2022; FS Finans V 2023). The annual reports of the FSC also extensively covered the details of the lawsuit it filed against the erstwhile management of Andelskassen (see Key Design Decision No. 12, Treatment of Board and Management) (FSC 2020). The information pertaining to the resolution was published to Andelskassen’s website as well (Andelskassen 2016b).

7. **Source and Size of Funding:** The creditors and uninsured depositors shared a bail-in cost of DKK 21.6 million; the Guarantee Fund contributed DKK 74.9 million to protect eligible depositors, while the Resolution Fund injected DKK 37.5 million in equity into the bridge bank.

Resolution costs were partly borne by shareholders, subordinated debt holders, and senior credit holders via a write-down of these instruments for loss absorption (IMF 2020). The total write-down of creditors and uninsured depositors came to DKK 21.6 million; the write-down of equity was estimated at DKK 12 million. Eligible depositors had up to EUR 100,000 (DKK 750,000) exempted from the bail-in (FSC 2016g; IMF 2020).

The Guarantee Fund contributed DKK 74.9 million to protect insured deposits. The bank, in its 2015 annual report following the government takeover, reported this amount as an asset in the form of an unfunded government commitment. In 2016, the bank paid the DIS back DKK 25.9 million, leaving the cost of protecting insured depositors at DKK 49 million. The bank paid all depositors in 2017, drawing in part upon this commitment from the DIS. The DIS fully funded the depositor payout from its own capital sources, based on levies paid by banks and mortgage institutions (PwC 2016).

Section 1 of Article 56 of the resolution act requires a resolution financing arrangement with the Resolution Fund managed by the FSC to be established in connection with the resolution (Danish Government 2015). This fund is financed by annual contributions (which are determined by the FSC on a discretionary basis) from Danish enterprises (Danish Government 2015).

The resolution included a capital injection of DKK 37.5 million into Broinstitut I A/S by the Resolution Fund (FSC 2017; World Bank 2016).
8. Approach to Resolution and Restructuring: On October 5, 2015, the FSC resolved Andelskassen J.A.K. Slagelse through the creation of a bridge bank, and all shareholders and creditors except depositors covered by the Danish Guarantee Fund were written down or bailed in.

On October 5, 2015, the FSC transferred the ownership of Andelskassen J.A.K. Slagelse to a bridge bank, Broinstitut I A/S. Shareholders, unsecured creditors, and uninsured depositors (greater than EUR 100,000) were written down or bailed in (Maddaloni and Scardozzi n.d.).

After the DFSA determined that Andelskassen was insolvent, it notified the FSC on October 5, 2015, that Andelskassen was FOITF and that there were no other viable alternatives that could prevent its failure. The FSC hired PwC to prepare a provisional valuation to determine and confirm the extent of bail-in required to make Andelskassen solvent, the appropriate transfer price in the event that Andelskassen was sold, and the valuation under a hypothetical liquidation scenario (see Key Design Decision No. 1, Purpose) (World Bank 2016).

Acquisition by the FSC and Establishment of a Bridge Bank

Later on October 5, 2015, the FSC bailed in Andelskassen’s junior and senior unsecured creditors, wrote shareholders down to zero, and injected DKK 37.5 million into Andelskassen from the Resolution Fund (FSC 2015b; FSC 2017; World Bank 2016). Because Andelskassen’s activities could not be taken over by an entity that did not possess a banking license, the FSC established a bridge bank, Broinstitut I A/S, in accordance with the act. Broinstitut I A/S, which was wholly owned by the FSC, became the sole shareholder of Andelskassen J.A.K. Slagelse (FSC 2017). J.A.K. Andelskassen was open to the public for “most common banking services” from October 6, 2015, and all the resolution decisions were made on October 5, 2015 (FSC 2015d; IMF 2020; Krigslund and Plesner 2015).

Write-down of Shareholders, Creditors, and Uninsured Depositors

According to the original announcement, shareholders, subordinated creditors, and unsecured creditors would also be written down to zero, and they would be notified of the write-down as soon as possible (FSC 2015c). Depositors with up to DKK 750,000 (EUR 100,000) would be covered by the Danish Guarantee Fund (FSC 2015d). In summation, all shareholders and junior creditors lost their capital while most senior creditors and uninsured deposits above the limit incurred a 100% haircut (Ventoruzzo and Sandrelli 2019).

PwC carried out three valuations, of which the FSC used Valuation 2 to determine the size and nature of private sector bail-in and DIS drawdowns (PwC 2016). The balance sheet shown in Figure 4 summarizes findings from Valuation 2 conducted by PwC.
Figure 4: Balance Sheet of Andelskassen as Prepared by PwC for 2014 and 2015 (DKK millions)

<table>
<thead>
<tr>
<th>Andelskassen (as of Dec 31, 2014)</th>
<th>Andelskassen (as of Dec 31, 2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td><strong>Liabilities &amp; Equity</strong></td>
</tr>
<tr>
<td>Total assets: 300</td>
<td><strong>Total liabilities</strong>: 288</td>
</tr>
<tr>
<td>Net loans: 225</td>
<td>Net loans (owing to the write-down): 127</td>
</tr>
<tr>
<td>Other assets: 75</td>
<td>Unfunded gov. commitment: 75</td>
</tr>
<tr>
<td>Deposits: Uninsured depositors: 2.8</td>
<td>Subordinated debt: 16</td>
</tr>
<tr>
<td>Subordinated debt: 16</td>
<td>Other liabilities: 2</td>
</tr>
<tr>
<td>Other liabilities: 2</td>
<td>Secured and unsecured debts: 2</td>
</tr>
<tr>
<td>Equity: 11.9</td>
<td>Other assets: 104</td>
</tr>
<tr>
<td>Share Capital: 22.4</td>
<td>Retained earnings: (11.1)</td>
</tr>
<tr>
<td>Revaluation Provisions: 0.6</td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities &amp; Equity</strong></td>
<td><strong>Total liabilities (after bail-in): 236</strong></td>
</tr>
<tr>
<td>Deposits: Uninsured depositors: 0</td>
<td></td>
</tr>
<tr>
<td>Subordinated debt: 0</td>
<td></td>
</tr>
<tr>
<td>Other liabilities: 0</td>
<td></td>
</tr>
<tr>
<td>Equity: 69.5</td>
<td></td>
</tr>
<tr>
<td>Share Capital: 37.5</td>
<td></td>
</tr>
<tr>
<td>Revaluation Provisions: 0</td>
<td></td>
</tr>
<tr>
<td>Retained earnings: 32</td>
<td></td>
</tr>
</tbody>
</table>

Note: The Guarantee Fund contributed DKK 74.9 million as an off-balance-sheet item.

Sources: Andelskassen 2016a; author's analysis.

The FSC’s preliminary valuation in October 2015 estimated the loss to the Guarantee Fund would be DKK 25 million, in accordance with the resolution arrangement established by the Danish authorities (FSC 2016g; IMF 2020; Singh 2020). In 2016, FSC’s commissioned auditor, PwC, revised the estimated loss to the Guarantee Fund to DKK 74.9 million (FSC 2017). The FSC lowered its estimate of the loss to the Guarantee Fund by DKK 25.9 million in 2016. The FSC stated that it intended to sell Andelskassen by the first half of 2016 (FSC 2016g).

Prospective Sale to Netfonds

On January 21, 2016, the FSC initiated a roughly two-week sale process to divest Andelskassen as a whole or separately divest customer activities with DKK 250 million in loans and DKK 200 million in deposits (FSC 2016a; FSC 2016b; FSC 2016g). On March 18, the FSC announced that Netfonds, a Swedish company, would purchase the shares of Andelskassen, along with approximately 3,200 customers with deposits totaling DKK 175 million and loans totaling DKK 210 million subject to the approval of the DFSA (FSC 2016b; FSC 2016e). However, in October 2016, Netfonds failed to receive approval from the DFSA. On October 31, 2016, the FSC announced its decision to liquidate the bank (FSC 2016f). This
decision was made by FSC “based on the experience from the sale process and other circumstances” (FSC 2017, 15).

On May 31, 2017, Andelskassen was converted into a finance company by the name of FS Finans V A/S, through which the sale of the remaining loans would take place (FSC 2018). The liquidation process is ongoing, at the time of writing this case.

9. **Treatment of Creditors and Equity Holders: Creditors and equity holders were written down to zero, while insured depositors were protected.**

At the time of takeover in October 2015, the FSC said that “subordinated creditors and ordinary unsecured creditors have preliminarily been written down to zero” based on a provisional valuation (FSC 2016c, 1). Krogh from PwC provided the official Valuation 2 estimate in his April 2016 report, which identified a DKK 96.4 million deficit between the values of assets and liabilities. To meet that deficit, the FSC did write down some creditors to zero. Specifically, it bailed in creditors for DKK 21.6 million, including DKK 16.8 million in subordinated capital, DKK 2.8 million in uninsured deposits, and DKK 2 million in other secured and unsecured debts (FSC 2016c). Debt secured by mortgages was not bailed in (see Figure 5).

The remainder of the estimated DKK 96.4 million deficit, or DKK 74.9 million, was met by the injection of an unfunded asset on the bank’s balance sheet that represented a commitment from the Guarantee Fund to cover insured depositors (see Key Design Decision No. 10, Treatment of Clients) (FSC 2016c).

The FSC’s October 2015 decision on Andelskassen’s resolution stated that creditors would be prioritized according to bankruptcy proceedings: Equal ranking creditors would be treated equally, and the loss borne by creditors would not exceed the loss they would bear in the event of bankruptcy, following Section 12 (4) of the 2015 bank restructuring law, as noted in Key Design Decision No. 3, Legal Authority (FSC 2015a). The interim valuation report prepared by the FSC contained a hypothetical liquidation value, factoring in the no creditor worse off than under liquidation (NCWOL) rule (World Bank 2016).

On October 5, 2015, the FSC announced the write-down of all equity, all subordinated creditors, and a portion of senior creditors and uninsured deposits (Cardoso 2020). The resolution measures ensured that all eligible depositors would have their deposits up to EUR 100,000 (DKK 750,000) covered by the Guarantee Fund (Cardoso 2020; FSC 2015a). An official statement from the FSC stated that since the resolution measures were effective immediately (from October 5, 2015), depositors and creditors could not take actions to avoid any losses (FSC 2015a). None of the affected parties proceeded with litigation (Cardoso 2020). Figure 5 displays PwC’s plan to fill the gap of DKK 96.4 million.
Figure 5: The PwC Plan to Fill the DKK 96.4 million Gap (DKK thousands)

<table>
<thead>
<tr>
<th>Item</th>
<th>Detail</th>
<th>Balance sheet relief</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guarantee from the Guarantee Fund</td>
<td></td>
<td>74,863</td>
</tr>
<tr>
<td>Bail-in of debt to credit Institutions</td>
<td>Debt secured by mortgages</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Debt secured by set-off</td>
<td>149</td>
</tr>
<tr>
<td></td>
<td>Due &lt;7 days</td>
<td>0</td>
</tr>
<tr>
<td>Bail-in of uninsured deposits</td>
<td>Deposits</td>
<td>2,805</td>
</tr>
<tr>
<td>Bail-in of other debt</td>
<td></td>
<td>1,817</td>
</tr>
<tr>
<td>Write-down of capital instruments</td>
<td>Subordinated debt</td>
<td>16,780</td>
</tr>
<tr>
<td><strong>Total Creditor Bail-in and Write-Downs</strong></td>
<td></td>
<td><strong>21,551</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>96,414</strong></td>
</tr>
<tr>
<td>Loss for equity shareholders</td>
<td></td>
<td><strong>12,068</strong></td>
</tr>
</tbody>
</table>

Source: PwC 2016.

10. Treatment of Clients: Following the decision to liquidate Andelskassen, customers were asked to find a new bank, as Andelskassen would eventually terminate its services to them.

An official statement of the FSC stated that Andelskassen would continue to provide basic banking services to its customers from the morning of October 6, 2015 (FSC 2015a).

In March 2016, the FSC entered into an agreement to sell Andelskassen to Netfonds. As part of that agreement, approximately 3,200 customers with deposits values at DKK 175 million would be taken over by Netfonds (FSC 2016e). However, after that sale fell through in October 2016, the FSC took the decision to liquidate Andelskassen. On October 31, 2016, the FSC announced that customers’ deposit accounts and related products would be closed and that the FSC would assist customers in finding a new bank (FSC 2016d).

All deposit accounts were terminated, and other customers were advised to find a new bank (FSC 2017). The first step taken in this regard was to terminate the agreements on payments cards and services that customers had with Andelskassen, with effect from January 12, 2017. Customers with deposits were sent a termination notification soon after, and customers with loans had their interest rates and fees adjusted to the highest possible level on the market, pursuant to their agreement with Andelskassen (FSC 2016f). The decision to increase interest rates was made by the FSC, as it was felt that there were a lot of business requirements to be met. Consequently, the interest rates were calculated on the basis of national interest rate statistics (Henriksen et al. 2018).
Arbejdernes Landsbank offered to take over customer relations from Andelskassen at no cost to the existing customers of Andelskassen. The same announcement also mentioned that if Arbejdernes Landsbank did not wish to take over Andelskassen’s liabilities (customer loans, deposits, and/or guarantees), these would remain in Andelskassen for settlement purposes (FSC 2016f). Our research has not been able to ascertain whether this takeover by Arbejdernes Landsbank transpired.

Following the suspension of its banking license on May 31, 2017, Andelskassen stopped serving its customers and depositors (FSC 2018).

11. Treatment of Assets: The objective of Andelskassen’s liquidation was to maximize recoveries from the sale of assets.

The primary objective of liquidating Andelskassen after its sale to Netfonds fell through was to maximize recoveries from the sale of the assets (FSC 2016f).

12. Treatment of Board and Management: The FSC removed and replaced Andelskassen’s board of directors on October 5, 2015.

On October 5, 2015, after the FSC took over Andelskassen for resolution, it terminated the executive board and board of directors of Andelskassen and appointed Henrik Bjerre-Nielsen, Marianne Simonsen, and Lise Gronø as new members of the board of directors and Jens Verner Andersen as the new manager (FSC 2015a). Henrik Bjerre-Nielsen was the director of the FSC at the time (Riisgaard 2015). This was in accordance with Sections 15 and 16 of the bank resolution act, which allowed the FSC to assume responsibilities conferred upon the management and appoint a special manager to manage the entity in resolution (Danish Government 2015). The FSC also launched a preliminary investigation to determine if the former management and auditors of Andelskassen could be held liable for any damages (FSC 2016g).

In September 2015, the Norwegian Financial Supervisory Authority demanded that the director of the bank, Wolmer Møller, be fired for breaking a money-laundering law (Sixhøj 2015a; TV2EAST 2015). Andelskassen was reported to the police for breaching the money-laundering law (Olling 2016). The DFSA fired Møller later that month. The DFSA in an official statement noted that the director’s code of conduct led to his termination (Sixhøj 2015a).

In December 2016, the FSC initiated proceedings against the erstwhile management of Andelskassen to recover some of the bank’s losses (FSC 2017). The FSC justified the liability lawsuit by stating that it was the FSC’s social responsibility to claim damages caused by the losses attributable to the management since bank management held fiduciary positions (FSC 2019). This lawsuit was filed on the basis of the conclusions drawn by law firm Kromann Reumert’s report, which held the management responsible for bad lending practices, poor risk management, and failure to comply with Danish law (Rasmussen and Hansen 2016).

On November 15, 2019, the District Court of Glostrup ordered Møller to pay approximately DKK 1.2 million in damages, of which DKK 200,000 was to be paid jointly and severally with the former chairman of the board of directors. Møller appealed the case to the Eastern High
Court (FSC 2020). On July 6, 2021, the Eastern High Court upheld the decision of the Court of Glostrup (FSC 2022).

13. Cross-border Cooperation: There was no cross-border cooperation involved in the resolution of Andelskassen.

The resolution of Andelskassen did not involve any cross-border cooperation, as all the creditors and depositors were Danish citizens (World Bank 2016).

14. Other Conditions: There were no restrictions placed on Andelskassen.

The annual reports of the FSC and FS Finans V A/S as well as the official statements from the FSC do not bear any information pertaining to any restrictions imposed on Andelskassen. The DFSA required Andelskassen to keep meeting solvency requirements (FSC 2016g; FSC 2017; FSC 2018; FSC 2019; FSC 2020; FSC 2021; FSC 2022; FS Finans V 2023).

15. Duration: The FSC intended to sell Andelskassen within six months of its resolution. Following a failed sale attempt, the FSC decided to liquidate the bank instead, which remains ongoing.

The FSC intended to sell Andelskassen in the first half of 2016 (within six months) (Lund-Hansen 2015a). However, although the FSC entered into an agreement to sell Andelskassen to Netfonds in March 2016, the sale was abandoned in October 2016, after Netfonds failed to receive approval from the DFSA. The FSC decided to liquidate the bank owing to the failure to find an appropriate seller in a timely manner. This represented a deviation from its initial plan of selling Andelskassen off to an appropriate buyer through an open and transparent sale process (FSC 2016e).

The liquidation of Andelskassen is ongoing at the time of writing this case. The FSC still had equity of DKK 29.1 million in the bank at the end of 2022, as compared to the DKK 37.5 million initially invested (FS Finans V 2023).
References and Key Program Documents

Summary of Program


Implementation Documents


Legal/Regulatory Guidance


EC document outlining the institutional structure for resolution of small banks in Denmark. https://ypfs.som.yale.edu/node/23403

Media Stories

Article on the disagreement between Jens Kindberg (the private investor who tried to rescue Andelskassen) and the DFSA.
https://ypfs.som.yale.edu/node/23443

News article sharing details on Andelskassen J.A.K. Slagelse’s statistics (machine translated to English).
https://ypfs.som.yale.edu/node/23509

Article covering the takeover of Andelskassen by the FSC (machine translated to English).
https://ypfs.som.yale.edu/node/23483

News article detailing FSC’s decision to sell Andelskassen (machine translated to English).
https://ypfs.som.yale.edu/node/23517

News article on the efforts taken by private groups to rescue Andelskassen (in Danish).
https://ypfs.som.yale.edu/node/23516

Article on Jens Kindberg’s proposed takeover of Andelskassen (in Danish).
https://ypfs.som.yale.edu/node/23522

News article on the efforts taken by private groups to rescue Andelskassen (in Danish).
https://ypfs.som.yale.edu/node/23515
Article on Jens Kindberg, the private investor who tried to save Andelskassen before it was taken over by the resolution authorities (in Danish).
https://ypfs.som.yale.edu/node/23511

News article on the private alternatives explored by the management of J.A.K. (in Danish).
https://ypfs.som.yale.edu/node/23477

Article on the takeover of Andelskassen by the FSC (in Danish).
https://ypfs.som.yale.edu/node/23473

Article announcing the takeover of Andelskassen by the FSC (in Danish).
https://ypfs.som.yale.edu/node/23470

Article on the termination of Andelskassen’s services to customers (in Danish).
https://ypfs.som.yale.edu/node/23471

Article on troubles surrounding Andelskassen (in Danish).
https://ypfs.som.yale.edu/node/23469

News article that disseminates the opinion of Lars Kull (banking researcher) and covers the firing of Wolmer Møller (CEO of Andelskassen) (machine translated to English).
https://ypfs.som.yale.edu/node/23467

News article detailing the events surrounding the resolution of Andelskassen (in Danish).
https://ypfs.som.yale.edu/node/23466
(Sixhøj 2016a) Sixhøj, Mads. 2016a. “Be Careful Not to End up like Karsten Ree, They Said.” Berlingske, February 18, 2016. *News article detailing the controversy surrounding the Jens Kindberg (the private investor who wanted to rescue Andelskassen) deal to takeover Andelskassen (machine translated to English).*
https://ypfs.som.yale.edu/node/23465

(Sixhøj 2016b) Sixhøj, Mads. 2016b. “Minister Asks for Explanation in Dispute about Cooperative Fund.” Berlingske, February 24, 2016. *News article detailing the involvement of the Danish minister of business in the disagreement between Jens Kindberg (the private investor attempting to rescue Andelskassen) and DFSA (in Danish).*
https://ypfs.som.yale.edu/node/23464

(Sixhøj 2016c) Sixhøj, Mads. 2016c. “Norwegian Financier Wants to Run an Investment Bank via the Dead-End Danish Bank.” Berlingske, March 21, 2016. *News article on the owner of Netfonds AB.*
https://ypfs.som.yale.edu/node/23463

https://ypfs.som.yale.edu/node/23480

**Press Releases/Announcements**

https://ypfs.som.yale.edu/node/23455

https://ypfs.som.yale.edu/node/23417

https://ypfs.som.yale.edu/node/23416
*Press release by the FSC announcing the initiation of Andelskassen J.A.K. Slagelse’s sale (in Danish).*

https://ypfs.som.yale.edu/node/23421

*Press release by FSC on the sale of Andelskassen J.A.K. Slagelse to Netfonds.*

https://ypfs.som.yale.edu/node/23486

*Press release from the FSC highlighting the updates in the resolution of Andelskassen.*

https://ypfs.som.yale.edu/node/23488

*Press release announcing that the FSC’s sale of Andelskassen J.A.K. Slagelse to Netfonds did not go through.*

https://ypfs.som.yale.edu/node/23489

*Press release from the FSC announcing that the agreement to sell Andelskassen will not be completed (in Danish).*

https://ypfs.som.yale.edu/node/23424

*Press release announcing that Andelskassen J.A.K. Slagelse customers would soon receive a notice of termination (in Danish).*

https://ypfs.som.yale.edu/node/23490

**Reports/Assessments**

*Annual report by J.A.K. Slagelse for the financial year 2015 (in Danish).*

https://ypfs.som.yale.edu/node/23369

*Annual report of FS Finans V A/S for the financial year 2017 (in Danish).*

https://ypfs.som.yale.edu/node/23427
Annual report of FS Finans V A/S for the financial year 2018 (in Danish).
https://ypfs.som.yale.edu/node/23428

Annual report of FS Finans V A/S for the financial year 2022 (in Danish).
https://ypfs.som.yale.edu/node/23431

Annual report by the FSC for the financial year 2015 (translated by the FSC).
https://ypfs.som.yale.edu/node/23406

Annual report by the FSC for the financial year 2016 (translated by the FSC).
https://ypfs.som.yale.edu/node/23426

Annual report by the FSC for the financial year 2017 (translated by the FSC).
https://ypfs.som.yale.edu/node/23407

Annual report by the FSC for the financial year 2018 (translated by the FSC).
https://ypfs.som.yale.edu/node/23425

Annual report by the FSC for the financial year 2019 (translated by the FSC).
https://ypfs.som.yale.edu/node/23408

Annual report by the FSC for the financial year 2020 (translated by the FSC).
https://ypfs.som.yale.edu/node/23414

Annual report by the FSC for the financial year 2021.
https://ypfs.som.yale.edu/node/23409

Annual report by the FSC for the financial year 2022 (in Danish).
https://ypfs.som.yale.edu/node/23413

FSAP by the IMF for Denmark in August 2020.
https://ypfs.som.yale.edu/node/23432
Report by Kromann Reumert (a law firm) on the main causes of Andelskassen J.A.K. Slagelse’s collapse (in Danish).
https://ypfs.som.yale.edu/node/24518

Key Academic Papers

https://ypfs.som.yale.edu/node/23391

https://ypfs.som.yale.edu/node/23783

https://ypfs.som.yale.edu/node/23449

https://elischolar.library.yale.edu/journal-of-financial-crisis/vol6/iss1/1

https://ypfs.som.yale.edu/node/23468
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**Other**

https://ypfs.som.yale.edu/node/23385

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