

**This is an unofficial translation based on the latest official Consolidated Act no. 982 of 5 December 2003. Only the Danish document has legal validity.**

This is to promulgate the Mortgage Credit Act, cf. Consolidated Act no. 57 of 20 January 2003, as amended by Act no. 453 of 10 June 2003 and Act no. 454 of 10 June 2003.

**1.-87.** (Repealed)

## **PART 15<sup>2</sup>**

### *Financial statements, audit and consolidation*

**88.-(1)** Annual financial statements shall be prepared for each accounting year by the board of directors and the board of management in accordance with the rules of legislation and the articles of association. The annual financial statements shall comprise a balance sheet, income statement, notes and an annual review.

**(2)** The annual financial statements shall be signed by the board of directors and the board of management. Where a member of the board of directors or of the board of management is of the opinion that the annual financial statements ought not to be adopted, or if a member wishes to notify the ultimate authority of the institution of other objections to the annual financial statements, said member shall make a statement to that effect in his endorsement of the financial statements.

**89.-(1)** The annual financial statements shall give a true and fair view of the assets and liabilities of the mortgage-credit institution, of its financial position and profit or loss.

**(2)** The Danish FSA shall lay down regulations on the presentation of the accounts of the mortgage-credit institution, including regulations on the format of the annual financial statements, the contents of the balance sheet and income statement, notes, measurements, and annual report as well as regulations on the presentation of accounts for groups where the parent company is a financial holding company or a mortgage-credit institution, including regulations on consolidation and on requirements for the information in the annual financial statements on transactions within said group.

**(3)** The Danish FSA shall moreover lay down regulations on accounts for Danish branch offices of mortgage-credit institutions with registered addresses in a country within the European Union or a country with which the Community has entered into a cooperation agreement.

**(4)** A note to the annual financial statements shall provide information on business commitments entered into by the mortgage-credit institution and the board of directors and board of management. Such information shall include all business commitments of the relevant fiscal year.

**(5)** (Repealed)

**90.-91.** (Repealed)

**92.-(1)** The Danish FSA shall, no later than eight days after the day of the meeting where the annual financial statements were approved by the board of directors, and no later than three months after the end of the accounting period, have received the audited and approved annual financial statements as well as copies of the audit book comments and the minutes from the meetings of the board of directors where said minutes contain auditors' comments.

**(2)** The mortgage-credit institution shall, immediately after the general meeting or the meeting of the shareholder committee where the annual financial statements have been presented for approval, submit written notification to the Danish FSA on whether the accounts were approved without changes. Where the general meeting or the shareholder committee carry out changes to the financial statements authorised by the board of directors, the final annual financial statements, as approved by the general meeting or the shareholder committee, and including notes of the changes made, shall be received by the Danish FSA no later than eight days after the day of the general meeting or meeting of the shareholder committee. The general meeting or meeting of the shareholder committee shall take place no later than four months after the end of the accounting period.

**(3)** The mortgage-credit institution shall submit the annual financial statements to the Danish Commerce and Companies Agency no later than four months after the end of the accounting period.

**(4)** The audited income statement and balance sheet shall, no later than two weeks after the day of the general meeting or meeting of the shareholder committee where the annual financial statements were approved, be published by the mortgage-credit institution in one or several daily newspapers published in the country of domicile of said institution. Corresponding publication of the financial statements for the first half of the year shall be carried out no later than eight weeks after the end of the half-year.

**93.-105.** (Repealed)

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## **PART 18**

### *Entry into force and transitional provisions*

Section 103 of Act no. 841 of 20 December 1989 lays down the following provisions on entry into force:

**103.-(1)** This Act shall enter into force on the day following notification in the Law Gazette.<sup>3</sup>

**(2)- (12)** (Omitted)

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Section 3 of Act no. 932 of 27 December 1991 lays down the following provision on entry into force:

**3.** This Act shall enter into force on 1 January 1992.

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Section 3 of Act no. 1042 of 23 December 1992 lays down the following provisions on entry into force:

**3.-(1)** (Omitted)

**(2)** Section 1(1), nos. 18-27 of this Act shall enter into force on 1 January 1993.

**(3)** (Omitted)

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Section 3 of Act no. 434 of 28 May 1996 lays down the following provision on entry into force:

**3.** This Act shall enter into force on 1 June 1996.

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Sections 9 and 10 of Act no. 475 of 10 June 1997 lay down the following provisions on entry into force:

**9.-(1)** This Act shall enter into force on 1 January 1998. (Omitted)

**(2)-(12)** (Omitted)

**10.-(1)** This Act shall not extend to the Faeroe Islands and Greenland, cf., however, subsection (3) hereof, except that section 2, section 4, and section 5 may be brought into force by Order in Council for the said parts of the realm subject to any variations in their operation necessitated by the specific conditions prevailing in Greenland and the Faeroe Islands respectively.

**(2)** (Omitted)

**(3)** Section 3 shall apply to the Faeroe Islands and Greenland.

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Section 5 of Act no. 1054 of 23 December 1998 lays down the following provisions on entry into force:

**5.-(1)** This Act shall enter into force on 1 January 1999. (Omission)

**(2)-(8)** (Omitted)

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Sections 375, 376, 381 and 438 of Act no. 453 of 10 June 2003 on Financial Business lay down the following provisions on entry into force:

**375.-(1)** This Act shall enter into force on 1 January 2004, cf. however subsections (2) and (3).

**(2)** (Omitted)

**(3)** The Minister for Economic and Business Affairs shall determine the time of entry into force of sections 183-198 of this Act.

**(4)** Notwithstanding sections 199(1) and 376, the requirement that certain financial undertakings must have no less than two auditors, cf. section 34(1) in the Commercial Banks and Savings Banks, etc., Act, section 23(2) in the Investment Companies Act, section 179(1) in the Insurance Business Act and section 90(1) in the Mortgage Credit Act, shall remain in force for the accounting year commencing 1 January 2004.

**(5)** (Omitted)

**376.-(1)** The following Acts and provisions shall be repealed:

1)-4) (Omitted)

5) Section 1(1)-(3); sections 2, 4-20, 46, 50, 51, 53-53i, 60-95 and 98a; section 100(1)-(3); sections 100a, 101 and 102(1) of the Mortgage Credit Act, cf. Consolidated Act no. 57 of 20 January 2003, cf. however sections 381 and 382 of this Act.

6)-8) (Omitted)

**(2)** Executive Orders issued in pursuance of the Acts mentioned in subsection (1) shall be maintained until they are repealed or replaced by Executive Orders issued in pursuance of this Act.

**381.** Sections 88, 89(1)-(4) and 92 of the Mortgage Credit Act, cf. Consolidated Act no. 57 of 20 January 2003 shall continue to apply until the time of entry into force of sections 183-198, cf. section 375(2), subject to the changes following from section 382 of this Act.

**438.-(1)** This Act shall not extend to Greenland and the Faeroe Islands, but may be brought into force by Royal Decree for these parts of the realm subject to any variations in their operation necessitated by the specific conditions prevailing in Greenland and the Faeroe Islands respectively, cf. however subsections (2)-(4).

**(2)** This Act may not be made effective for the Faeroe Islands with regard to insurance business and mortgage-credit business.

**(3)-(4)** (Omitted)

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Sections 41 and 43 of Act. No. 454 of 10 June 2003 on Mortgage-Credit Loans and Mortgage-Credit Bonds, etc. lay down the following provisions on entry into force:

**41.-(1)** This Act shall enter into force on 1 January 2004. Section 4, however, shall enter into force on 1 October 2003.

**(2)** Section 25 of the Danish Mortgage Credit Act shall be repealed on 1 October 2003, see Consolidated Act no. 57 of 20 January 2003. On 1 January 2004 the following sections or

subsections shall be repealed: section 1(4) and (5), section 3, section 24, sections 26-28, 40-45, 47-49, 52, 54-59, 97, section 100(4), section 102(2), section 103, section 103a, and section 105 of the Danish Mortgage Credit Act.

**(3)-(9)** (Omitted)

**43.** This Act shall not apply to the Faeroe Islands.

*Ministry for Economic and Business Affairs, 5 December 2003*

Bendt Bendtsen

/Henrik Bjerre-Nielsen

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<sup>1</sup> This Act contains provisions implementing Council Directive 86/635/EEC of 8 December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions (Official Journal 1986 L 372, p. 1), and Council Directive 89/117/EEC of 13 February 1989 on the obligations of branches established in a Member State of credit institutions and financial institutions having their head offices outside that Member State regarding the publication of annual accounting documents (Official Journal 1989 L 44, p. 40).

<sup>2</sup> Sections 88, 89(1)-(4) and 92 will be repealed, cf. section 381 of Act no. 453 of 10 June 2003 on Financial Business, when the Minister for Economic and Business Affairs so decides.

<sup>3</sup> This notification was made in the Law Gazette on 21 December 1989.