

Danske Bank A/S
For the attention of the Executive Leadership Team
Holmens Kanal 2-12
DK-1092 København C

31 August 2020
Ref. AAF
File no. 6252-0349

Request for an account for Danske Bank A/S's debt collection system

On 31 October 2019, Danske Bank A/S (the bank) followed up on previous information from June 2019 to the Danish Financial Supervisory Authority (the FSA) stating that the bank had identified issues in relation to its debt collection system.

The bank stated that it had collected amounts to which the bank was not entitled. Against this background, an internal working group had been set up to investigate the cause and the extent of the errors. The bank also stated that it would pay compensation to all affected customers once they had been identified and their claims calculated. This process had been initiated but would take some time to complete.

On the basis of the information provided by the bank, the FSA was under the impression that the bank had taken action when it became aware of the issues, among other things by launching an investigation to identify the customers affected and by ensuring that they were compensated. The FSA was also under the impression that the bank had ensured that the errors in the system had been corrected.

It is essential for the assessment of the matter that all affected customers – as stated by the bank – are identified and compensated as soon as possible. In the light of the recent information about the matter, the FSA has therefore decided to investigate the bank's handling of the errors found in the bank's debt collection system in relation to the bank's obligations to act fairly and loyally toward its customers (see section 43 of the Danish Financial Business Act and the Danish Executive Order on Good Practice for Financial Undertakings).

The FSA therefore requests that the bank account for the process relating to the errors in its debt collection system. As a minimum, the account must provide the following information:

- When did the bank identify the errors the first time?
- What are the specific errors and how have they affected customers?
- How did the bank handle the information about the errors identified, including what measures were taken, and when and how will the bank avoid new errors going forward?
- From the time when the errors were identified, how did the bank ensure that similar errors in the debt collection could no longer take place?
- How many customers are affected by the errors?
- How has the bank handled the affected customers, including how is the compensation calculated for the individual customer, and what information is provided to customers about errors and calculations?
- How many customers have been compensated as at 1 September 2020, how many customers does the bank expect to compensate and when does the bank expect to have compensated all customers?

The FSA also requests that relevant parts be submitted in respect of the bank's internal investigation and the investigation made by the bank's compliance function and external legal counsel.

Please send the material to Anne Aarup Fenger (aaf@ftnet.dk) and Ulla Brøns Petersen (ubp@ftnet.dk). The FSA must receive the material on or **before 10 September 2020**.

Any questions may be addressed to Ulla Brøns Petersen, Director, by e-mail or on tel. +45 33558243 or to Anne Aarup Fenger by e-mail or on tel. +45 61930791.

Access to documents

The FSA points out that, since the FSA requests information concerning the institution's compliance with the rules on good practice (see section 43 of the Danish Financial Business Act), the information provided by the bank to the FSA will not be covered by the FSA's increased duty of confidentiality (see section 354(1) and (3) of the Danish Financial Business Act).

This implies that the information may be subject to public access in accordance with the rules of the Danish Act on Public Access to Documents in Public Files and may generally be disclosed to the public. Information about customer relationships and the institution's internal matters may be exempted from public access in accordance with the relevant rules of the Danish Act on Public Access to Documents in Public Files.

Yours faithfully

Anne Aarup Fenger
Specialist Consultant

Ulla Brøns Petersen
Director