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Consolidated Act on Arbejdsmarkedets Tillægspension

Consolidated Act no. 887 of 24 August 2004

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This is an Act to promulgate the Act on Arbejdsmarkedets Tillægspension¹, cf. Consolidated Act no. 689 of 20 August 2002 with amendments consequential upon section 1 of Act no. 1032 of 17 December 2002, section 4 of Act no. 1066 of 17 December 2002, section 2 of Act no. 420 of 10 June 2003, section 1 of Act no. 421 of 10 June 2003, section 419 of Act no. 453 of 10 June 2003, section 2 of Act no. 190 of 24 March 2004, Act no. 308 of 4 May 2004, section 2 of Act no. 365 of 19 May 2004 and section 3 of Act no. 468 of 9 June 2004.

Part 1

Introduction

1. For the purpose of paying supplementary pensions to wage earners etc. in accordance with this Act, Arbejdsmarkedets Tillægspension shall be established.

Part 2

Group of persons

2.-(1) Members of Arbejdsmarkedets Tillægspension shall be the following, cf. however section 3,

- a) wage earners of the age of 16-66 years, cf. however section 15(6), employed in Denmark or stationed abroad for the Danish state, Danish undertakings and institutions and on Danish ships,
- b) persons receiving a general allowance or severance payment under the "lov om tjenestemænd i staten, folkeskolen og folkekirken" (Act on civil servants in the state, the Folkeskole (the Danish Primary and Lower Secondary School) and the Evangelical Lutheran Church of Denmark) or under municipal civil servant regulations or rules,
- c) persons who have been dismissed and who receive a salary during the period of notice.

(2) Persons who, as wage earners under subsection (1), have been members of the supplementary pension scheme for a total of no less than three years and who have, in addition, paid contributions corresponding to three annual contributions in accordance with section 4a or section 15(1) may, at their own request, keep their membership even if they become self-employed. The board of directors of Arbejdsmarkedets Tillægspension shall lay down more detailed regulations in this respect.

(3) The Minister for Employment shall, following negotiations with the employers' organisations and wage earners' organisations interested, lay down regulations ensuring that

¹ The Labour Market Supplementary Pension Scheme (ATP)

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groups of persons who are typically employed by several employers within a given week (casual workers) are covered by the scheme.

2a.-(1) Members of an unemployment insurance fund shall be covered by the scheme during unemployment if they qualify for unemployment benefits under the "lov om arbejdsløshedsforsikring m.v." (Act on unemployment insurance, etc.). Furthermore, unemployed people with unemployment insurance receiving compensation under the "lov om godtgørelse ved deltagelse i erhvervsrettet voksen- og efteruddannelse" (Act on compensation for participants in vocational adult and continued training) shall be covered by the scheme.

(2) wage earners shall be covered by the scheme during absence from work if they qualify for unemployment benefits under the Act on Benefits in the event of Illness or Childbirth. The same shall apply to unemployed people who would have been covered by subsection (1) if the circumstance qualifying them for unemployment benefits had not existed.

(3) wage earners in employment shall be covered by the scheme when participating in education or training qualifying them for compensation under the "lov om godtgørelse ved deltagelse i erhvervsrettet voksen- og efteruddannelse" (Act on compensation for participants in vocational adult and continued training) if they receive pay from an employer, compensation from an unemployment insurance fund or from the Public Employment Service, or if they receive job rotation benefits from the Public Employment Service.

(4) Persons receiving benefits under sections 25, 52 and 74d of the Act on An Active Social Policy and sections 29 and 29a of the Act on Social Services shall be covered by the scheme.

(5) Persons who are members of an unemployment insurance fund and who receive employability enhancement benefits under section 55(4) of the "lov om arbejdsløshedsforsikring m.v." (Act on unemployment insurance, etc.) shall be covered by the scheme.

(6) Persons who are members of an unemployment insurance fund, who are more than 25 years old and who receive a training allowance, or persons who receive employability enhancement benefits under the "lov om en aktiv arbejdsmarkedspolitik" (Act on an active labour market policy) hitherto in force, shall be covered by the scheme.

(7) Foreigners receiving benefits under section 27 or section 29(2) of the Act on Integration of Aliens in Denmark (the Integration Act) shall be covered by the scheme.

(8) Persons receiving benefits under section 16 of the Act on Social Pensions shall be covered by the scheme.

2b. The following persons may, if they so desire, pay contributions to Arbejdsmarkedets Tillægspension in periods when they receive the following types of benefit:

- 1) persons who are members of an unemployment insurance fund and who receive a transitional benefit or early retirement pension under the "lov om arbejdsløshedsforsikring m.v." (Act on unemployment insurance, etc.),
- 2) persons receiving flex job benefits under the "lov om fleksydelse" (Act on flex job benefits),
- 3) persons who, in pursuance of sections 74m, 75f(3) and 75m(3) of the "lov om arbejdsløshedsforsikring m.v." (Act on unemployment insurance, etc.), receive early retirement pension or a transitional benefit without being members of a Danish unemployment insurance fund, and
- 4) persons covered by the Act on Partial Pension.

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2c. More detailed regulations regarding the duty to pay contributions under the provisions in sections 2a and 2b shall be laid down by the Minister for Employment following negotiations with the Minister for Social Affairs and upon recommendation by the board of directors of Arbejdsmarkedets Tillægspension.

3.-(1) The Minister for Employment shall, upon consultation with the board of directors of Arbejdsmarkedets Tillægspension, lay down regulations stipulating whether the following groups are to be covered by this Act:

- a) foreign wage earners who are on short-term employment in Denmark,
- b) foreign wage earners who, on long-term employment in Denmark for foreign companies, are covered by a pension in their home country,
- c) foreign wage earners employed by Danish diplomatic representations abroad or on Danish ships, and
- d) Danish wage earners employed abroad by Danish undertakings and covered by a pension scheme applicable there.

(2) The Minister for Employment may derogate from provisions of this Act regarding membership of Arbejdsmarkedets Tillægspension and regarding contributions in respect of nationals of other states or parts thereof and Danish nationals who reside in other states or parts thereof provided that a mutual agreement has been made with the relevant states as to such persons' access to supplementary pensions.

4. (Repealed)

Part 2a

Division of members

4a.-(1) In collective agreements and other agreements entered into or approved by a minister or a municipal authority which are in the process of termination or which can be terminated for expiry no later than at the end of 1987, agreement may be made before this time to the effect that the contribution rates in force on 1 January 1982 are not to be increased under the provision in section 15(1).

(2) In general provisions regarding pay and working conditions laid down or approved by a public authority in the period between 1 January and 31 December 1987 it may be stipulated that the contribution rates in force on 1 January 1982 are not to be increased under the provision in section 15(1).

(3) The employer shall pay contributions under subsections (1) and (2) for all wage earners covered by said collective agreements, other agreements or general provisions.

(4) The annual contribution under subsections (1) and (2) for a member in full-time employment shall amount to DKK 1,166.40.

(5) If collective agreements, other agreements or general provisions regarding pay and working conditions contain agreements under subsection (1) or if a decision has been made under subsection (2), it may be agreed or decided that the contribution under subsection (4) is to be increased by increases in the annual contribution fixed as at 1 January 1996 and later in pursuance of section 15(1).

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Part 3

Personal pensions

5. According to this part of this Act, a supplementary pension in the form of a personal pension shall be payable from the recipient's 67th year, cf. however section 9(4) and (5).

6.-(1) For members having entered into the scheme no later than 31 March 1965, an annual supplementary pension shall be paid in respect of seniority acquired before 1 January 1982 subject, however, to a maximum of 173/4 years, cf. section 7, according to the following scale:

Born in		Annual pension per year of seniority
April	1898	DKK 600.00
-	1899	DKK 312.00
-	1900	DKK 216.00
-	1901	DKK 168.00
-	1902	DKK 139.20
-	1903	DKK 120.00
-	1904	DKK 111.43
-	1905	DKK 105.00
October 1905 - April 1917		DKK 108.00
April	1918	DKK 109.71
-	1919	DKK 111.82
-	1920	DKK 113.74
-	1921	DKK 115.50
-	1922	DKK 117.12
-	1923	DKK 118.62
-	1924	DKK 120.00
-	1925	DKK 119.14

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-	1926	DKK 118.34
-	1927	DKK 117.60
-	1928	DKK 116.90
-	1929	DKK 116.25
-	1930	DKK 115.64
-	1931	DKK 115.06
-	1932	DKK 114.51
-	1933	DKK 111.33
-	1934	DKK 108.32
-	1935	DKK 105.47
-	1936	DKK 102.77
-	1937 and after	DKK 100.20

(2) For members having entered into the scheme on 1 April 1965 or later, a supplementary pension shall be paid of DKK 60.00 per year for each year of seniority, cf. section 7, acquired in the time before 1 October 1972, and DKK 100.00 per year for each year of seniority acquired in the time between 1 October 1972 and 31 December 1981. The maximum seniority that can be acquired shall correspond to the time from entry into the scheme to 1 January 1982.

7.-(1) For the time before 1 January 1982, one year of seniority shall correspond to payment of contributions during a year, cf. section 15, for 11 months before the contributor reaches the age of 60 and 9 months after such time.

(2) Contribution payments in the individual year in addition to those mentioned in subsection (1), shall be credited to the member in other contribution years to the extent necessary to achieve seniority as stated in subsection (1) or to achieve a pension as stated in section 8(2). Any surplus contributions shall be regarded as having been paid in the period between 1 July 1992 and 1 January 2002.

(3) Weeks or months for which a 2/3 or 1/3 contribution has been paid under section 15 shall be included proportionally.

8.-(1) Of contributions related to the time between 1 January 1982 and 1 July 1992, annual pension of DKK 100.00 shall be paid out per contribution amount of DKK 396.00 paid in before the contributor reaches the age of 60 and DKK 100.00 for each contribution amount of DKK 324.00 paid in after said time.

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(2) During the period mentioned in subsection (1) a pension may be achieved up to a maximum of 11 months' contributions per year before the contributor reaches the age of 60 and 9 months' contributions per year after said time. Any surplus contributions shall be credited to the contributor in accordance with regulations corresponding to those of section 7(2).

8a. For contributions relating to the time between 1 July 1992 and 1 January 2002, an annual pension of DKK 100.00 shall be paid for each contribution amount of DKK 396.00.

8b.-(1) Of contributions related to the time from 1 January 2002 less amounts under section 16, a pension shall be paid as stipulated in annex A in accordance with the technical basis of Arbejdsmarkedets Tillægspension, cf. section 18. The board of directors of Arbejdsmarkedets Tillægspension may alter the pension amounts with regard to future contributions.

(2) The pension mentioned in subsection (1) shall be determined on the basis of a rate of interest of 2 per cent per year. On recommendation by the board of directors of Arbejdsmarkedets Tillægspension and following negotiations with the Danish FSA, the Minister for Employment may alter this rate.

9.-(1) A supplementary pension in the form of a personal pension shall be payable upon request from the first day of the month after the recipient's 67th birthday, cf. however subsections (4) and (5), and it shall be paid in advance on a monthly basis. The board of directors of Arbejdsmarkedets Tillægspension may, however, decide that small pension amounts plus bonus pension amounts, cf. section 19(2), shall be paid either over longer periods at a time or as a capitalised lump sum. The board of directors of Arbejdsmarkedets Tillægspension shall lay down regulations as to the determination of capitalisation values, cf. section 18. In said capitalisation, the same remaining life expectancy shall be applied for men and women.

(2) The calculated annual pension plus bonus pension shall be rounded off to the nearest amount in DKK divisible by 12.

(3) In respect of the time before such request, a maximum of six months supplementary pension may be paid.

(4) If the recipient wishes to have the supplementary pension paid out from a time after his 67th birthday, the pension shall be raised by a percentage increase for each month the payment is postponed, calculated from the 67th birthday but no longer than until the 70th birthday. This increase shall be calculated in relation to the pension that the member would have been entitled to for the preceding month. For a pension earned before 1 January 2002, the percentage increase shall be 0.8 per month. For a pension earned after 1 January 2002, the percentage increase shall be 0.6 per month.

(5) For persons attaining their 60th birthday on 1 July 1999 or later, a supplementary pension may be paid out upon request before the 67th birthday, but not before the 65th birthday. If the recipient wishes to have the supplementary pension paid out from a time before his 67th birthday, the pension shall be reduced by a reduction percentage for each month the payment is requested paid out before the 67th birthday. This reduction shall be calculated in relation to the pension that the member would have been entitled to for the succeeding month. For a pension earned before 1 January 2002, the reduction percentage shall be 0.8 per month. For a pension earned after 1 January 2002, the reduction percentage shall be 0.6 per month.

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(6) If the Minister for Employment alters the rate of interest, cf. section 8b(2), the board of directors of Arbejdsmarkedets Tillægspension may alter the percentage increase or reduction mentioned in subsections (4) and (5) with regard to pensions earned after the alteration of the rate of interest.

10. The Minister for Employment may, on recommendation by the board of directors of Arbejdsmarkedets Tillægspension, lay down regulations regarding calculation and payment of supplementary pensions.

Part 4

Benefits in the event of death (contributions to Arbejdsmarkedets Tillægspension Scheme related to the time before 1 January 2002)

Spouse benefits

11.-(1) For spouses surviving members of the supplementary pension scheme who were born on 1 July 1925 or later and who die on 1 July 1992 or later, a lump sum shall be paid on death. The right to this lump sum shall not be affected in the event of a separation of the spouses.

(2) The lump sum shall correspond to the capitalised value of a pension benefit which, based on calculations, would be assumed to be paid to a person of the same age as the deceased member. Moreover, the pension benefits shall be assumed to be paid out for life from the time of death, but no earlier than the 67th year of the surviving spouse. If the deceased had made use of the right under section 9(5), the pension benefit shall be assumed to be paid out from the time of the death. In said capitalisation, the same remaining life expectancy shall be applied for men and women.

(3) The pension benefit, cf. subsection (2), shall constitute 35 per cent of the personal pension and bonus pension the relevant member had earned upon his death.

(4) Lump sums that have not been requested to be paid out before five years after death shall revert to Arbejdsmarkedets Tillægspension.

Child benefits

11a.-(1) For children surviving members of the supplementary pension scheme who were born on 1 July 1925 or later and who die on 1 July 1992 or later, a lump sum shall be paid on death.

(2) Said lump sum shall, for each child under the age of 18, constitute one times the pension rights that the member had earned at the time of the death in the form of a personal pension and bonus pension from the 67th year, where relevant adjusted in accordance with section 9(4) or (5).

(3) The amounts mentioned in subsection (2) shall be paid to the legal guardian for the child or children entitled.

(4) As regards the lump sum in this provision, the same shall apply as in section 11(4).

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Transitional allowances

12.-(1) Apart from the lump sum under section 11, a lump sum shall be paid to surviving spouses of members of the supplementary pension scheme born between 1 July 1925 and 30 June 1941 who die on 1 July 1992 or later.

(2) This amount shall correspond to the capitalised value of a pension benefit for the surviving spouse. In the calculation, the pension benefits shall be presumed to be paid out from the time of the death, but no earlier than the 62nd year of the surviving spouse. In said capitalisation, the same remaining life expectancy shall be applied for men and women, cf. subsection (4).

(3) The pension benefit, cf. subsection (2), payable to a surviving spouse of a member born no later than 30 June 1931 shall constitute 15 per cent of the personal pension and bonus pension the relevant member earned the right to by 1 July 1992. For members born between 1 July 1931 and 30 June 1941, the percentage shall be phased out evenly so that, for members born on 1 July 1941 or later, there will be no pension benefit.

(4) In the capitalisation, only the part of the pension benefit under subsection (3) which, added to the pension benefit under section 11(3), exceeds any personal pension of the surviving spouse (including bonus pension), cf. part 3 of this Act, shall be included from the 67th year of the surviving spouse or from the time said spouse made use of the right under section 9(5). If the surviving spouse has not reached the age of 67 at the time of the death, contributions related to the time before 1 January 2002 shall be included in the calculation of the personal pension.

(5) As regards the lump sum in this provision, the same shall apply as in section 11(4).

Capitalised spouse's pension, etc.

13.-(1) For spouses surviving members of the supplementary pension scheme who were born on 30 June 1925 or before and who die on 1 July 1992 or later, a lump sum shall be paid on death, cf. subsection (3).

(2) For surviving spouses, who were born on 1 July 1930 or later, of members who die before 1 July 1992, a lump sum shall be paid, cf. subsection (3).

(3) The lump sums under subsections (1) and (2) shall be calculated as the capitalised value of a pension benefit to the surviving spouse corresponding to either half of the personal pension and bonus pension of the deceased or half of the personal pension and bonus pension the deceased would have been entitled to receive from his 67th year on the basis of the contributions paid in and any bonus accrued.

(4) In the capitalisation, the pension benefits shall be presumed to be paid out from the time of death, but no earlier than the 62nd year of the surviving spouse, cf. subsection (5). In said capitalisation, the same remaining life expectancy shall be applied for men and women.

(5) In the capitalisation however, only the part of the pension benefit, cf. subsection (3), which exceeds the personal pension of the surviving spouse (including bonus pension, cf. part 3 of this Act), shall be included from the 67th year of the surviving spouse or from the time said spouse made use of the right under section 9(5). If the surviving spouse has not reached

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the age of 67 at the time of the death, contributions related to the time before 1 January 2002 shall be included in the calculation of the personal pension.

(6) The lump sums under subsections (1) and (2) shall be paid out provided that the marriage has lasted for no less than ten years and that the deceased has earned a right to full pension, cf. sections 6, 7 and 8, for a total of ten years.

(7) For lump sums under subsection (1) where death happens after 1 January 2002, the same shall apply as in section 11(4).

(8) A request for a lump sum under subsection (2) shall be made no later than when the surviving spouse attains the age of 67, but no earlier than 1 January 2007.

14.-(1) Where the right to receive spouse's pension and bonus pension has been earned before 1 July 1992, such pension shall be paid in accordance with regulations hitherto in force. Such right shall lapse at the time of entry into a new marriage, but may be reinstated upon request if said new marriage is terminated.

(2) If, at the same time, the surviving spouse meets the conditions for receipt of a supplementary pension in the form of a personal pension under part 3 of this Act, said spouse shall only be entitled to the largest of such pensions.

(3) The spouse's pension shall otherwise be paid in accordance with the regulations laid down in section 9(1) and (2).

14a.-(1) Payment of lump sums under sections 11, 11a, 12 and 13 shall be carried out upon request from the person entitled to such payment.

(2) The Minister for Employment may, on recommendation by the board of directors of Arbejdsmarkedets Tillægspension, lay down regulations for calculation and payment of lump sums under sections 11, 11a, 12 and 13 and calculation of personal pensions under sections 12(4) and 13(5). The board of directors shall lay down regulations regarding determination of capitalisation values, cf. section 18.

Part 4a

Benefits in the event of death (contributions to Arbejdsmarkedets Tillægspension related to the time after 1 January 2002)

Benefits for spouses and cohabitees

14b.-(1) For spouses or cohabitees surviving members of the supplementary pension scheme, a lump sum of DKK 40,000 shall be paid on the death of said member. The right to this lump sum for spouses shall not be affected in the event of a separation of the spouses.

(2) "Cohabitees" shall mean persons who share the same address and who are entitled to marry each other. In order to earn the right to benefits under subsection (1), the cohabitees shall have appointed each other as recipients of such benefit by written registration with Arbejdsmarkedets Tillægspension. The cohabitation, cf. the 1st clause, shall exist at the time of registration with Arbejdsmarkedets Tillægspension. It is a further condition that cohabitation has existed for no less than two years before death. In the event that the cohabitee is

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admitted to an institution, the requirement mentioned in the 4th clause to have the same address shall have been met before such admission.

(3) Benefits under subsection (1) may be paid to a surviving spouse or cohabitee of a member who has been a member of the supplementary pension scheme for a total of no less than two years, and who, in addition, has paid contributions corresponding to two annual contributions in accordance with section 4a or section 15(1).

(4) The board of directors of Arbejdsmarkedets Tillægspension may adjust the lump sum mentioned in subsection (1).

(5) Lump sums under this provision that have not been requested to be paid out before five years after death shall revert to Arbejdsmarkedets Tillægspension.

14c. The benefits under section 14b(1) shall be reduced by equal amounts from and including the year in which the member attains the age of 66 up to and including the year in which the member attains the age of 69 and the right to such benefits shall lapse completely on the member's 70th birthday.

14d. Spouses surviving members of the supplementary pension scheme who are entitled to a lump sum under sections 11 and 12 and who are simultaneously entitled to a lump sum under section 14b shall only be entitled to receive the largest of such sums.

Child benefits

14e.-(1) For children surviving members of the supplementary pension scheme, a lump sum shall be paid on the death of said member. For each child under the age of 21, said lump sum shall be DKK 40,000.

(2) For children under the age of 18, said lump sum shall be paid to the legal guardian of the child or children entitled.

(3) Benefits under subsection (1) may be paid to children surviving members who have been members of the supplementary pension scheme for a total of no less than two years, and who, in addition, have paid contributions corresponding to two annual contributions in accordance with section 4a or section 15(1).

(4) The board of directors of Arbejdsmarkedets Tillægspension may adjust the lump sum mentioned in subsection (1).

(5) Lump sums under this provision that have not been requested to be paid out before five years after death shall revert to Arbejdsmarkedets Tillægspension.

14f. Children surviving members of the supplementary pension scheme who are entitled to a lump sum under section 11a and who are simultaneously entitled to a lump sum under section 14e shall only be entitled to receive the largest of such sums.

14g.-(1) Payment of lump sums under sections 14b and 14e shall be carried out upon request from the beneficiary.

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(2) The Minister for Employment may, on recommendation by the board of directors of Arbejdsmarkedets Tillægspension, lay down regulations for calculation and payment of lump sums under sections 14b and 14e.

Part 5

Contributions

15.-(1) The board of directors of Arbejdsmarkedets Tillægspension shall stipulate the size of the annual contribution, and this shall be the annual contribution to be paid for a member employed full time by the same employer. The resolution shall be approved by a simple majority of the board of representatives, although a majority of employer representatives and a majority of wage earner representatives shall vote in favour of the resolution.

(2) For members who are not employed full time but are employed by the same employer, 2/3 or 1/3 or no contribution shall be paid depending on the extent of employment.

(3) In order to ensure that the same contribution amount is paid in for members with the same degree of employment irrespective of the type of employment and the payment period, cf. however section 4a, following negotiations with the Minister for Finance and the board of directors of Arbejdsmarkedets Tillægspension, the Minister for Employment shall lay down regulations for calculation of contributions during employment by the same employer, including more detailed regulations on

- 1) the division of the annual contribution into pay periods and the number of hours that determine when full, 2/3, 1/3, or no contribution shall be paid,
- 2) calculation of the number of hours to form the basis for payment of contributions for members whose working hours are not known, and
- 3) the size of the contribution for groups of persons who are typically employed by several employers within a single week.

(4) The employer shall pay 2/3 of the contribution and the member 1/3.

(5) Members who keep their membership pursuant to section 2(2) shall themselves pay the total contribution under subsection (1).

(6) Payment of contributions for a member shall cease on the member's 67th birthday or, for retirement before this date, cf. section 9(5).

16. An annual amount shall be calculated for all members paying contributions, which is to be deducted in advance from the contributions paid by the individual member prior to calculation of a pension under section 8b. The amount calculated shall be composed of

- 1) an amount to cover the death benefit under section 14b for the individual contribution year, and
- 2) an amount to ensure maintenance of the cover under section 14b for the periods when insufficient contributions are made to cover the deduction mentioned above.

17.-(1) The employer shall retain the member's part of the contribution from wage payments and pay the total contribution to Arbejdsmarkedets Tillægspension at the end of each quarter.

(2) The Minister for Employment shall, on recommendation by the board of directors of Arbejdsmarkedets Tillægspension, lay down more detailed regulations regarding payment of

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contributions, including regarding the time limit for payment. These regulations may provide that Arbejdsmarkedets Tillægspension may allow late payment of contributions and waive contributions and interest.

(3) In the event of late payment of contributions, the employer shall pay interest on the contributions of 1½ per cent for each month started from the end of the quarter, cf. subsection (1).

(4) Arbejdsmarkedets Tillægspension shall have right of execution regarding contributions and interest.

(5) Claims due to Arbejdsmarkedets Tillægspension pursuant to this part of this Act shall become statute-barred in accordance with the regulations in Act no. 274 of 22 December 1908 on statute-barring of certain claims.

(6) Subsections (2)-(5) shall apply correspondingly for members who, pursuant to section 15(5) pay the total contributions themselves.

(7) If the employer is unable to cover contributions owed, or if these are cancelled, the wage earners shall be entitled to pension rights for the outstanding contributions.

Part 5a (Repealed) [1](#)

17a. (Repealed)

Part 5b (Repealed) [2](#)

17b-17e. (Repealed)

Part 5c

Special Pension Savings Scheme (SP)

Group of persons and contributions

17f.-(1) Special pension savings shall be collected for Arbejdsmarkedets Tillægspension of 1.0 per cent of the basis for contributions under section 8(1), a), b), d), e) and g), and section 10 of the "lov om en arbejdsmarkedsfond" (act on a labour market fund) for wage earners etc. and self-employed persons with an obligation to make contributions under section 7(1) and (2) of the same Act, cf. however subsections (2) and (6). For 2004 and 2005, however, the rate shall be 0.0 per cent. The regulations in the "lov om en arbejdsmarkedsfond." (act on a labour market fund) regarding collection, statements and payments, accrual basis, reporting, penalties, adjustments etc. shall apply correspondingly for special pension savings under the 1st clause. cf. however subsections (2) and (6).

(2) For persons with an obligation to make contributions under section 7(1), a), cf. sections 8(1), a) and b) and 11(1), section 7(1), b) and c), cf. sections 8(1), e) and 11(1) of the "lov om en arbejdsmarkedsfond" (act on a labour market fund), pension savings under subsection (1), 1st clause, shall be collected for the first time on salary, remuneration etc., that for deduction of income tax under the "kildeskattelov" (deduction of taxes at source act) refers to

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a period in the calendar year of the person's 17th birthday, and for the final time on salary, remuneration etc., that for deduction of income tax under the "kildeskattelov" (deduction of taxes at source act) refers to a period in the calendar year of the person's 64th birthday. For persons with an obligation to make contributions under section 7(1), a), cf. sections 8(1), a) and b) and 11(4) and (8), and section 7(1), c), cf. sections 8(1), e) and 11(4), and section 7(1) e) and section 7(2) of the "lov om en arbejdsmarkedets fond" (act on a labour market fund), pension savings shall be collected for the first time for the income year in which the person attains 17 years of age and for the final time in the income year in which the person attains 64 years of age.

(3) For persons covered by section 2a(1)-(7) special pension savings of 1.0 per cent of the unemployment benefits, allowances etc. mentioned in the provision shall also be collected until the end of the year in which the person attains 64 years of age. This shall not, however, apply to persons receiving benefits under section 29 of the Act on Social Services, cf. section 2a(4). For persons who receive salary claims etc., cf. section 2(1) of the Employees' Guarantee Fund Act, the Employees' Guarantee Fund shall pay and report 1 per cent of the benefits mentioned to the Special Pension Savings Scheme. This shall be monthly and directly to Arbejdsmarkedets Tillægspension. The contribution rates mentioned, cf. the 1st and 3rd clauses, shall be 0.0 per cent for 2004 and 2005. For persons covered by section 2a(2), for whom the employer pays unemployment benefits during sickness, contributions shall continue to be calculated until the employer has ceased to collect such contributions, although no later than 30 May 2004 after which the rate for the rest of 2004 and 2005 shall be 0.0 per cent.

(4) The amounts collected under subsection (1) shall be transferred by the state tax authorities to Arbejdsmarkedets Tillægspension.

(5) The amounts collected under subsection (3) shall be paid into Arbejdsmarkedets Tillægspension.

(6) In the event that the account holder has attained 64½ years of age and due to a subsequent change in a tax return for the account holder it is ascertained that too much or too little pension savings have been collected, the state tax authorities shall not collect the remaining amount or refund any amount overpaid. Correspondingly, recovery of pension savings and additional interest not paid in due time shall cease no later than one month before the account holder attains 65 years of age. Recovery of pension savings etc. not paid on the due date regarding the income year in which the account holder attains 64 years of age shall, however, cease no later than 1 November in the year following said income year. In the event that on death it is ascertained that the account holder is in arrears with pension savings not paid on the due date regarding income years more than 2 years prior to death, or a change is being made to the tax return of an account holder regarding an income year more than 2 years prior to death, Arbejdsmarkedets Tillægspension may, at the request of the state tax authorities report that payment shall be suspended until 3 months from the registration of death. The 4th clause shall apply correspondingly for collection of pension savings regarding the income year prior to death, if the death is registered after 1 September in the year of death. Payments on death shall take place in accordance with section 17i.

(7) In the event that an account holder covered by section 2a(1)-(7) has attained 64½ years of age and subsequently it is ascertained that too much or too little pension savings have been paid, no adjustments shall be made to the account holder's personal account, cf. section 17h. The same shall apply to payments covered by subsection (3), 3rd clause.

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(8) Following negotiations with the Minister for Taxation, the Minister for Employment may lay down more detailed regulations for the implementation of the regulations in subsections (1), (2), (4) and (6).

(9) Deposits in an account with LD Pensions, cf. the LD Pensions Act may be transferred to the account holder's personal account. After transfer, transferred funds shall be treated in accordance with the same regulations as contributions credited under section 17g. The Minister for Employment may lay down more detailed regulations on receipt of amounts under this subsection.

Credits

17g.-(1) On the basis of the annual statements for a given income year, after 1 December in the year following the income year there shall be a credit to personal accounts, cf. section 17h, of the pension savings covered by section 17f(1) collected from the individual contributors calculated as the calculated pension savings pursuant to the annual statement less any arrears of pension savings etc. not paid on the due date regarding the given income year at the date of the statement. Arrears paid regarding pension savings not paid on the due date shall also be credited. Withheld pension savings shall be settled with Arbejdsmarkedets Tillægspension and shall be included as paid pension savings in the annual statement, irrespective of whether the withheld pension savings have been paid, cf. section 17f(1), 2nd clause, cf. section 15(3), 2nd clause of the "lov om en arbejdsmarkedetsfond" (act on a labour market fund). On the same date mentioned in the 1st clause, personal accounts of the pension savings of individual contributors covered by section 17f(3) shall be credited with the amounts paid into Arbejdsmarkedets Tillægspension.

(2) Until the amount under subsection (1) has been credited, the funds transferred under section 17f(4) and (5) shall be managed separately. After deduction of tax on yields of certain pension scheme assets and costs, the returns from these funds shall be credited to the individual contributors in proportion to the size of the contributions credited under subsection (1).

(3) Minister for Employment shall lay down more detailed regulations on credits to personal accounts under subsections (1) and (2).

Management of accounts

17h.-(1) Arbejdsmarkedets Tillægspension shall manage the funds paid in under sections 17f and 17p as well as the returns herefrom separately from the other assets of the fund.

(2) Separate accounts shall be prepared for management and administration of the personal accounts. Administrative expenses shall be covered in accordance with the corresponding regulations that apply for other schemes administered by Arbejdsmarkedets Tillægspension.

(3) An individual's personal SP account shall be partly composed of an investment account that at any time shall represent the current value of the proportion of the investment pools the individual has selected, cf. section 17k(1) and section 17m(1), and partly of a cash account for use as a current account for ongoing administration of SP accounts kept in Arbejdsmarkedets Tillægspension and as a general account for adjustments, credits etc. regarding accounts transferred to another pension institute, cf. section 17n. Arbejdsmarkedets Tillægspension shall lay down interest rates for positive and negative amounts in the cash account.

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- (4)** Account holders who have transferred their personal SP account to another pension institute shall cease to have a personal SP account with Arbejdsmarkedets Tillægspension when the SP payments for the 64th year have been transferred to the other pension institute.
- (5)** Amounts deposited in the account shall at all times comprise the value of the account holder's proportion of investment pools and amounts in the cash account after deduction of tax on yields of certain pension scheme assets and costs.
- (6)** Following recommendations from the board of directors of Arbejdsmarkedets Tillægspension, the Minister for Employment may lay down more detailed regulations for administration of the personal accounts, including methods of dividing the account between spouses in the division of matrimonial property on legal separation or divorce.

Payments to members

- 17i.-(1)** On death, Arbejdsmarkedets Tillægspension shall pay the amount deposited in the personal SP account to the estate of the deceased. If the SP account has been transferred to another pension institute, cf. section 17n, the amount deposited in the cash account shall, however, not be paid out and instead said account shall be balanced and transferred to the SP account in the other pension institute.
- (2)** Pension savings collected regarding the year of death under section 17f(1) shall be paid to the estate of the deceased at the instigation of the state tax authorities on the basis of documentation from the estate of the size of the amount collected. Pension savings collected regarding the year preceding death under section 17f(1) shall be paid at the instigation of the state tax authorities if the death is registered no later than 1 September in the year of death. In the event that the annual statement of the deceased regarding the year prior to death has not been submitted at the date the death was registered, the pension savings collected shall, however, be paid at the instigation of the state tax authorities irrespective of the date of registration of the death.
- (3)** Pension savings collected regarding the year of death under section 17f(3) may be paid to the estate of the deceased by Arbejdsmarkedets Tillægspension on the basis of documentation from the estate of the size of the amounts collected. Pension savings collected regarding the year preceding death under section 17f(3) shall be paid by Arbejdsmarkedets Tillægspension on the basis of documentation from the estate, or on the basis of returns from municipalities or unemployment insurance funds if death occurs before 1 November.
- (4)** Following negotiations with the Minister for Taxation and recommendations from Arbejdsmarkedets Tillægspension, the Minister for Employment may lay down more detailed regulations regarding payments to members on death, cf. subsections (1)-(3). Claims from the estate regarding amounts deposited shall become statute-barred 5 years after the death of the account holder. Said amounts becoming statute-barred shall be added to the funds in the adjustments pool cf. 17p(1).
- 17j.-(1)** Pension savings shall be paid in advance by Arbejdsmarkedets Tillægspension to the account holder from the first of the month following the 65th birthday to the extent amounts have been credited to the account in accordance with section 17g. This shall not, however, apply for amounts deposited in the cash account if the SP account has been transferred to another pension institute, cf. section 17n. The pension savings shall be paid either as a lump sum, in annual instalments over 10 years, or in monthly instalments over 10 years. The

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Minister for Employment shall, on recommendation by the board of directors of Arbejdsmarkedets Tillægspension, lay down more detailed regulations for when payment is to take place as a lump sum and as instalments, and regulations for calculation of the amount to be paid under subsections (2) and (3).

(2) The amount deposited in the account shall be calculated at the commencement of benefits payments and at the start of each year in the payment period in accordance with the regulations in section 17h(5). The amount paid in each of the 10 years shall comprise an amount corresponding to the amount deposited in the account at the commencement of payments and the start of each year of the payment period, respectively, divided by the number of years for which payments have not yet been made.

(3) For accounts paid in monthly instalments, the board of directors of Arbejdsmarkedets Tillægspension shall set an interest rate, in advance, for each calendar year. Total payments for a year shall be calculated at the start of each year as a fixed amount on the basis of the amount deposited in the account at the start of the year and the interest rate set by the board of directors so that, if the interest rate is not changed, the annual amount paid over the whole payment period will result in equal instalments. The monthly instalment shall be withdrawn from the account of the account holder.

(4) If the amount deposited in the account is less than the monthly instalment to be paid, the instalment shall be reduced to the balance on the account, and payments shall cease. If, after paying the final instalment there remains a balance on the account, the final instalment shall be increased by the remaining balance.

(5) Persons who are entitled to payment of pension savings in accordance with subsection (1) may defer payments or commencement of payments until a later date, though no later than their 70th birthday.

(6) Amounts that have not been paid before the 85th birthday of the account holder shall become statute-barred and be transferred to the adjustments pool, cf. section 17p(1).

SP Option Scheme

17k.-(1) Arbejdsmarkedets Tillægspension shall establish and manage the SP option scheme, under which the account holders in the Special Pension Savings Scheme (SP) are afforded the possibility to choose to place the amounts deposited in their accounts wholly or in part in one or more investment pools.

(2) The funds in the individual investment scheme shall be placed in units or certificates in an investment undertaking covered by subsection (3). Distributions from an investment undertaking shall be invested immediately in units or certificates in the same investment undertaking.

(3) Following negotiations with the Minister for Economic and Business Affairs, the Minister for Employment shall lay down more detailed requirements regarding the investment undertakings whose units and certificates may be incorporated in the SP option scheme.

(4) Following recommendations from Arbejdsmarkedets Tillægspension and following negotiations with the Minister for Economic and Business Affairs, the Minister for Employment shall lay down more detailed requirements regarding the investment undertakings that are included in the SP option scheme, including technical requirements and requirements

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regarding reporting of returns, costs etc. In the same way, the Minister for Employment shall lay down regulations regarding investment undertakings' coverage of costs in connection with establishment and operation of individual investment schemes as well as terms for administrative costs and transaction costs in connection with investment units.

17l.-(1) The individual account holder may choose to place amounts deposited in his investment account in investment pools, cf. section 17k(1) and section 17m(1). The individual account holder may make such a choice for the first time on receipt of the first statement regarding the Special Pension Savings Scheme (SP).

(2) The choice of the account holder shall be carried out as a distribution of the amount deposited in the account between the investment pools desired. Arbejdsmarkedets Tillægspension may decide to organise the SP option scheme so that the account holder can choose how future contributions are to be distributed, without changing the distribution of the existing amount deposited. If the account holder has not chosen an individual distribution for future contributions, the most recent choice under the 1st clause shall be applied when subsequent amounts are credited to the personal SP account.

(3) Following recommendations from Arbejdsmarkedets Tillægspension, the Minister for Employment may lay down more detailed regulations for the choice of investment pools in the SP option scheme, including requirements for minimum amounts to be deposited in the investment account as a prerequisite for choosing, as well as a maximum for the number of investment pools an account holder may choose.

(4) When Arbejdsmarkedets Tillægspension withdraws amounts from the account holder's account to pay tax on yields of certain pension scheme assets, administration and transaction costs, and pension benefits, the amounts in the individual investment pools shall be reduced proportionately unless there are adequate funds to cover these costs in the cash account.

SP Basic Scheme

17m.-(1) Arbejdsmarkedets Tillægspension shall manage and administer the funds that are credited to the personal accounts of the account holders under section 17g, and which the account holder has not chosen to place in investment pools under section 17k(1) or to transfer under section 17n, in the SP basic scheme.

(2) The choice by Arbejdsmarkedets Tillægspension of investment composition for funds under subsection (1) may take account of the age of the account holders.

(3) Funds covered by subsection (1) shall be placed in accordance with the regulations in part 8 of this Act, cf. however subsections (5) and (6).

(4) Arbejdsmarkedets Tillægspension shall manage and administer the funds not credited in accordance with section 17g(2). The funds shall be placed in accordance with the regulations in part 8 of this Act, cf. however subsections (5)-(7).

(5) Section 26d(1), no. 5 and section 26e(1), no. 3 shall not apply to funds placed in investment associations, special-purpose associations and approved restricted associations covered by section 26b(1), no. 7.

(6) Section 26d(1), no. 1 shall not apply to funds that are directly or indirectly placed in investment associations, special-purpose associations and approved restricted associations,

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provided that the assets held by said associations are included in the calculation of placement of funds covered by subsection (1), and that the provisions of part 8 of this Act, with the exceptions mentioned in subsection (5), are complied with in said calculation.

(7) The limit laid down in section 26e(1), no 2 for placement of funds under section 17g(2) shall be 25 per cent.

Transfer to another pension institute

17n.-(1) The individual account holder may choose to transfer the entire amount deposited, cf. section 17h(5) to a personal SP account in another pension institute. Arbejdsmarkedets Tillægspension may refuse transfer of amounts deposited if there is insufficient coverage for the costs of such transfer.

(2) At the request of the account holder via the receiving pension institute, Arbejdsmarkedets Tillægspension shall transfer the entire amount deposited in the personal SP account and after this, once a year, transfer the balance on the account holder's account in SP at the date of transfer to the personal SP account in the receiving pension institute.

(3) Account holders, who have transferred all of the amount deposited in their personal SP account in Arbejdsmarkedets Tillægspension to a personal SP account in another pension institute, may choose to transfer the entire amount in their personal SP account in this pension institute to a third pension institute. The receiving pension institute shall immediately notify Arbejdsmarkedets Tillægspension of the transfer in order to ensure correct annual transfer of future contributions. In the event that such notification is not made, Arbejdsmarkedets Tillægspension may collect a fee from the receiving pension institute for the costs of administration of such a transaction.

(4) Account holders, who have chosen to transfer the entire amount deposited to another pension institute, may request Arbejdsmarkedets Tillægspension to transfer the entire amount deposited back to a personal SP account in Arbejdsmarkedets Tillægspension.

(5) The Minister for Employment shall lay down more detailed regulations on requirements for establishment and management of personal SP accounts by receiving pension institutes, including on information, payments, technical requirements and consultancy in connection with transfers. Amounts in these accounts shall become statute-barred in accordance with the regulations in section 17i(4) and 17j(6).

Other provisions

17o.-(1) Costs of management and administration of personal accounts in the Special Pension Savings Scheme shall be allocated so that the costs associated with the choices in the SP option scheme, cf. section 17k and transfers to another pension institute, cf. section 17n shall be defrayed by the account holders taking advantage of these choices.

(2) Arbejdsmarkedets Tillægspension shall lay down the cost rates and fees to be applied in connection with operation of the Special Pension Savings Scheme and supplementary labour market pension for persons receiving anticipatory pensions, cf. sections 17r and 17s, and adjust regularly fees and costs rates so that they correspond to actual costs.

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17p.-(1) An adjustments pool shall be established under Arbejdsmarkedets Tillægspension. The adjustments pool shall be used to settle adjustments which cannot be effected via amounts deposited in the account holder's personal account, cf. section 17h(5), to finance inconsistencies between the income of the Special Pension Savings Scheme in the form of eg. fees, cf. section 17o and the actual costs, as well as to receive statute-barred amounts, cf. sections 17i(4), 17j(6), and 17n(5). Funds in the adjustments pool shall belong to the account holders in the Special Pension Savings Scheme, including those who have transferred their accounts, cf. section 17n.

(2) The board of directors of Arbejdsmarkedets Tillægspension shall stipulate the size of the adjustments pool, cf. subsection (3).

(3) The Minister for Employment shall lay down more detailed regulations for the establishment, use, and administration of the adjustments pool, including that adjustments carried out via the adjustments pool can be set off against future contributions.

17q.-(1) For sections 17g-17p, the regulations in parts 7, 7a, 9 and 10 as well as sections 29, 32, 34 and 35, section 36(1), and section 38 shall apply correspondingly.

(2) The Danish FSA may lay down regulations for preparation of the annual financial statements in accordance with section 17h(2) for the Special Pension Savings Scheme, including regulations on calculation and measurement of assets.

Part 5d

Supplementary labour market pension for persons receiving anticipatory pensions

17r.-(1) Payments into the supplementary labour market pension for persons receiving anticipatory pensions shall be credited to personal accounts on the basis of returns from municipalities, cf. section 33b of the Act on Social Pensions.

(2) Contributions credited to personal accounts under subsection (1) shall be managed by Arbejdsmarkedets Tillægspension together with the funds managed under section 17m(1).

(3) Financial statements for management and administration of the personal accounts in the supplementary labour market pension shall be included in the overall statement regarding the Special Pension Savings Scheme under part 5c of this Act.

(4) The board of directors may lay down a special administration fee in connection with payments to the supplementary labour market pension for persons receiving anticipatory pensions.

(5) In the event of death before attaining the age of 65, the amount deposited in the account shall be calculated in accordance with section 17h(5) and paid to the estate. Following recommendations from the board of directors of Arbejdsmarkedets Tillægspension, the Minister for Social Affairs shall lay down more detailed regulations for payment of the amount to the estate.

17s.-(1) When the account holder who has paid contributions to the supplementary labour market pension attains the age of 65 years, the amount deposited in the account, as calculated in accordance with section 17h(5), shall be used to acquire pension rights in Arbejdsmarkedets Tillægspension, cf. section 8b.

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(2) The pension rights acquired under subsection (1) shall not be included in meeting the membership and contribution requirements under section 14b(3) and 14e(3).

Part 6

Basis for pension and provisions

18.-(1) Arbejdsmarkedets Tillægspension shall notify the Danish FSA of a pension basis no later than at the same time as, or before, the company starts using the basis. The same shall apply for every subsequent amendment to said basis. The pension basis shall include a specification of

- 1) the basis for calculating personal pension savings, cf. part 3 of this Act,
- 2) the basis for calculating benefits in the case of death, cf. parts 4 and 4a of this Act, and
- 3) regulations regarding distribution of the realised result to members and other beneficiaries.

(2) The pension basis reported shall be based on adequate assumptions regarding the elements of calculation, and it shall be fair to the members and other beneficiaries.

(3) Effort shall be made to secure the real value of the pensions through a long-term bonus policy.

(4) The Danish FSA may lay down more detailed regulations on the conditions mentioned in subsections (1)-(3), including regulations on if and the extent to which notifications shall be available to the public.

19.-(1) Arbejdsmarkedets Tillægspension shall notify the Danish FSA of a provision basis no later than at the same time as, or before, the company starts using the basis. The same shall apply to subsequent changes of the basis. The provision basis shall contain a description of the calculation basis for the pension provisions.

(2) The provision basis shall be laid down so that the provisions may be regarded as sufficient for Arbejdsmarkedets Tillægspension to meet its pension obligations.

(3) The Danish FSA may lay down more detailed regulations on the conditions mentioned in subsections (1) and (2), including provisions on if and the extent to which notifications shall be available to the public.

19 a.-(1) If the Danish FSA deems that the requirements mentioned in section 18 are not being met, the Danish FSA shall, following negotiations with Arbejdsmarkedets Tillægspension, submit a report hereon to the Minister for Employment.

(2) If the requirements in section 19 or the requirements in the regulations issued in pursuance of this Act are not fulfilled, the Danish FSA may order Arbejdsmarkedets Tillægspension to make the necessary changes in the conditions notified within a time limit laid down by the Danish FSA.

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Part 7

Management

20.(1) Arbejdsmarkedets Tillægspension shall be managed by a board of representatives, a board of directors, and a chief executive officer.

(2) The Minister for Employment shall lay down the articles of association of Arbejdsmarkedets Tillægspension.

21.-(1) The board of representatives shall be composed of 15 employer representatives and 15 wage-earner representatives and a chairperson.

(2) The employer representatives shall be appointed thus, cf. section 25:

- 1) 8 on recommendation by the Confederation of Danish Employers.
- 2) 2 on recommendation by the Danish Confederation of Employers' Associations in Agriculture.
- 3) 1 on recommendation by the Minister for Finance.
- 4) 1 on recommendation by Danish Regions.
- 5) 1 on recommendation by Local Government Denmark.
- 6) 1 on recommendation jointly by the City of Copenhagen and the City of Frederiksberg.
- 7) 1 on recommendation by the Danish Employers' Association for the Financial Sector.

(3) The wage-earner representatives shall be appointed thus, cf. section 25:

- 1) 10 on recommendation by the Danish Confederation of Trade Unions.
- 2) 3 on recommendation by the Salaried Employees' and Civil Servants' Confederation.
- 3) 1 on recommendation from the Danish Association of Managers and Executives.
- 4) 1 on recommendation by the Danish Confederation of Professional Associations.

(4) The board of representatives shall appoint its own chairperson who shall not have any links to an employer or wage-earner organisation.

(5) The members of the board of representatives shall be appointed for periods of 3 years at a time, cf. however section 42. In the event that such appointment is made during a period, the appointment shall only apply until expiry of said period. Reappointment may take place.

22.-(1) The board of representatives shall receive the annual report for approval and it shall deal with matters which the board of directors or no less than four members of the board of directors wish to be dealt with by the board of representatives.

(2) The board of representatives shall meet once each year and also when the board of directors or no less than four members of the board of directors or ten members of the board of representatives request such meeting.

23.-(1) The board of directors shall be composed of the chairperson of the board of representatives as chairperson, as well as 12 other members who shall be elected from the members of the board of representatives and appointed thus, cf. section 25:

- 1) 3 on recommendation by the Confederation of Danish Employers.
- 2) 1 on recommendation jointly by Danish Regions, Local Government Denmark, the City of Copenhagen and the City of Frederiksberg.

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- 3) 1 on recommendation by the Danish Confederation of Employers' Associations in Agriculture.
- 4) 1 on recommendation by the Minister for Finance.
- 5) 3 on recommendation by the Danish Confederation of Trade Unions.
- 6) 2 on recommendation by wage-earner representatives on the board of representatives who represent wage earners employed by the state and municipalities.
- 7) 1 on recommendation jointly by the Salaried Employees' and Civil Servants' Confederation and the Danish Association of Managers and Executives.

(2) Members of the board of directors shall be appointed for periods of 3 years at a time. In the event that such appointment is made during a period, the appointment shall only apply until expiry of said period. Reappointment may take place.

(3) The board of directors shall manage administration of Arbejdsmarkedets Tillægspension in accordance with the regulations in this Act and the basis for pension and provisions notified under sections 18 and 19.

(4) The board of directors may authorise the chief executive officer to sell administrative services to a subsidiary company that has been established in accordance with section 26b(3). Sales shall take place in accordance with corresponding regulations applying for commercial services rendered by government institutions under the Finance Act. Accounts for these activities shall be separate from the other accounting records of Arbejdsmarkedets Tillægspension. The Minister for Employment may lay down more detailed regulations on conditions and supervision.

(5) The board of directors may authorise the chief executive officer to sell services to a subsidiary company that has been established in accordance with section 26b(4). The services shall be delivered in accordance with the usual business terms of Arbejdsmarkedets Tillægspension and on terms based on market conditions

(6) The board of directors shall employ the chief executive officer and other senior personnel and lay down written guidelines for the most important activities of the undertaking, including regular investment of fund assets. General instructions and guidelines issued to members and their employers shall be approved by the board of directors.

(7) By means of rules of procedure, the board of directors shall make more detailed decisions with regard to the performance of its duties.

23 a.-(1) A member of the board of directors and the chief executive officer of Arbejdsmarkedets Tillægspension shall have adequate experience in carrying out the duties and responsibilities of such a position.

(2) A member of the board of directors and the chief executive officer may not occupy the position as member of the board of directors or chief executive officer respectively of Arbejdsmarkedets Tillægspension, if

- 1) the person in question is held criminally liable for violation of the Criminal Code, the Act on Arbejdsmarkedets Tillægspension or financial legislation, and this violation entails a risk that the duties are not carried out adequately,
- 2) the person in question has filed for suspension of payments, is administered in bankruptcy, has filed for debt restructuring, or negotiations have been initiated with regard to compulsory composition for said person,

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- 3) the financial situation of the person in question or companies owned by the person in question or companies where the person in question participates in their operation have caused losses or risks of losses for Arbejdsmarkedets Tillægspension, or
- 4) the person in question has behaved such that there is reason to assume that said person cannot perform the duties and responsibilities of such position adequately.

(3) Members of the board of directors and the chief executive officer shall be obliged to notify the Danish FSA of the conditions mentioned in subsection (2).

23b. Arbejdsmarkedets Tillægspension shall have

- 1) good administrative and accounting practises,
- 2) written procedures for all significant areas of activity,
- 3) full internal control procedures, and
- 4) adequate IT control and security measures.

24. The chief executive officer shall be responsible for the day-to-day management of Arbejdsmarkedets Tillægspension and be responsible to the board of directors.

24 a.-(1) The board of directors of Arbejdsmarkedets Tillægspension shall employ a responsible actuary to carry out the actuarial functions necessary, including calculations and investigations. The position as actuary shall not be compatible with the position as a member of board of directors of Arbejdsmarkedets Tillægspension or as the chief executive officer.

(2) If the responsible actuary resigns or is dismissed, the board of directors and the responsible actuary shall submit separate accounts of the reason for such termination of work to the Danish FSA no later than 1 month after the date of termination.

(3) In this connection the actuary shall ensure Arbejdsmarkedets Tillægspension complies with the notified basis for pensions and provisions, including that said basis for pensions and provisions is at all times in accordance with the requirements laid down in sections 18 and 19. The responsible actuary shall, in this connection, review the actuarial contents of Arbejdsmarkedets Tillægspension's activities and material in general.

(4) The responsible actuary shall immediately notify the Danish FSA of any disregard of the conditions mentioned in subsection (3). The responsible actuary shall be entitled to request from the chief executive officer any information necessary for the execution of his duties. The Danish FSA may request from the actuary such information as is necessary for evaluating the financial position of Arbejdsmarkedets Tillægspension.

(5) The responsible actuary shall submit a report to the Danish FSA annually. This report shall contain an actuarial status of Arbejdsmarkedets Tillægspension in accordance with the notified basis for provisions.

(6) The Danish FSA may lay down more detailed provisions on the conditions mentioned in subsections (1)- (5), including the requirements a person is required to fulfil in order to be employed as the responsible actuary.

(7) The responsible actuary may demand that the board of directors convenes. The responsible actuary shall be entitled to attend and speak at the meetings of the board of directors unless otherwise stipulated by the board of directors in the individual case.

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(8) The responsible actuary shall participate in the board of directors' treatment of matters where such participation is requested by one or more members of the board of directors.

24b.-(1) Persons employed by the board of directors of Arbejdsmarkedets Tillægspension in accordance with legislation or the articles of association and employees for whom there is a significant risk of conflicts between own interests and the interests of Arbejdsmarkedets Tillægspension may not, at their own expense, or through companies they control,

- 1) take a loan or draw on credit already granted in order to purchase securities if the securities purchased are used as collateral for the loan or the credit,
- 2) acquire, issue, or trade in derivative financial instruments, except to hedge risk,
- 3) acquire holdings, except for units in investment associations, special-purpose associations and foreign investment undertakings covered by the Investment Associations and Special-Purpose Associations as well as other Collective Investment Schemes etc. Act with a view to selling such units less than 6 months from the date of acquisition, or
- 4) acquire positions in foreign currency, except for euros, if taking the position takes place with a view to anything other than payment for the purchase of securities, goods or services, purchase or management of real property, or for use when travelling.

(2) The group of persons mentioned in subsection (1) may not acquire holdings in companies that carry out business mentioned in subsection (1) nos. 1-4. This shall not apply, however, for purchases of shares in banks, insurance companies, mortgage-credit institutions, and investment companies, as well as shares in investment associations, special-purpose associations and foreign investment undertakings covered by the Investment Associations and Special-Purpose Associations as well as other Collective Investment Schemes etc. Act.

(3) The board of directors shall decide which employees have a significant risk of conflicts between their own interests and the interests of Arbejdsmarkedets Tillægspension, and who shall therefore be covered by the prohibition. The board of directors shall ensure that the relevant employee knows of this decision. The penalty provision in section 32a shall apply from the time the relevant employee has received information regarding the decision.

(4) For persons falling within the scope of subsection (1), the board of directors shall prepare guidelines on verifying compliance with the prohibition in subsection (1) and (2), 1st clause, including reporting investments.

(5) The external auditors shall once a year review the internal guidelines of Arbejdsmarkedets Tillægspension relating to the guidelines under subsection (4) and in the audit book comments relating to the annual report shall state whether the company's internal guidelines are adequate and have functioned appropriately, as well as whether the control procedures of Arbejdsmarkedets Tillægspension have given rise to observations.

(6) An account-holding institution shall, at the request of the board of directors of Arbejdsmarkedets Tillægspension, provide the external auditors of Arbejdsmarkedets Tillægspension with access to information on accounts and deposits and permission to submit printed statements herefrom for the persons covered by subsection (1).

(7) The prohibition in subsection (1), no. 2 shall not cover financial instruments derived from shares in an undertaking in the same group as Arbejdsmarkedets Tillægspension which are received as part of the relevant person's salary.

(8) The prohibition in subsection (1), no. 1 shall not cover loans to buy employee shares and the instruments mentioned in subsection (7).

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(9) Chief internal auditors and deputy chief internal auditors may, irrespective of subsections (1)-(8), not have financial interests in undertakings that are in the same group as Arbejdsmarkedets Tillægspension.

24c.-(1) Arbejdsmarkedets Tillægspension may not enter into exposures with members of board of representatives or the board of directors, the chief executive officer, employees of the supplementary pension scheme, the external auditors of the supplementary pension scheme, or the chief internal auditors or deputy chief internal auditors.

(2) Without the approval of the board of directors, which shall be entered in the minute book of the board of directors, Arbejdsmarkedets Tillægspension may not establish a business exposure with or accept collateralisation from companies in which the persons mentioned in subsection (1) are members of the board of directors or board of management.

(3) The exposures specified in subsection (2) shall be granted in accordance with the usual business terms of Arbejdsmarkedets Tillægspension and on terms based on market conditions. The external auditors of the supplementary pension scheme shall make a statement in the audit book relating to the annual report whether the requirements set out in the first clause have been met.

(4) The chief executive officer and the board of directors shall in particular monitor the appropriateness and progress of the business exposures mentioned in subsection (2).

(5) The regulations in subsections (2), (3), 1st clause and (4) shall also apply to exposures with companies in which persons linked to the chief executive officer by marriage, kinship or relationship by marriage in the direct line of ascent or descent or siblings are members of the board of management.

24d.-(1) Persons employed by the board of directors of Arbejdsmarkedets Tillægspension in accordance with legislation or the articles of association may not, without the consent of the board of directors, own or operate an independent enterprise, or in the capacity as a member of the board of directors, an employee, or in any other way, participate in the management or operation of another enterprise than Arbejdsmarkedets Tillægspension, cf. however section 25p(8) and (9).

(2) Other employees of Arbejdsmarkedets Tillægspension for whom there is a significant risk of conflicts between the interests of the employee and those of Arbejdsmarkedets Tillægspension may not, without the consent of the chief executive officer, own or operate an independent enterprise, or in the capacity as a member of the board of directors, employee, or in any other way, participate in the management or operation of an enterprise other than Arbejdsmarkedets Tillægspension. The board of directors shall be informed of any authorisation granted by the chief executive officer.

(3) The board of directors shall decide for which employees there is a significant risk of conflicts between the interests of the employee and those of Arbejdsmarkedets Tillægspension, and who shall consequently obtain the authorisation of the chief executive officer, cf. subsection (2). The board of directors shall ensure that the relevant employee knows of this decision. The penalty provision in section 32 shall apply from the time when the employee in question has received information hereof.

(4) The activities mentioned in subsections (1) and (2) shall only be carried on where Arbejdsmarkedets Tillægspension or undertakings which form part of a group with

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Arbejdsmarkedets Tillægspension do not have and do not enter into exposures with the enterprises specified in subsections (1) and (2) or undertakings which form part of a group with said undertakings. This shall not apply to exposures in the form of holdings and exposures in enterprises that form part of a group with Arbejdsmarkedets Tillægspension or enterprises where Arbejdsmarkedets Tillægspension, LD Pensions, the Labour Market Occupational Diseases Fund or financial undertakings jointly or financial undertakings in association with funds and associations established under sections 208, 215, 218 and 219(1) of Act no. 453 of 10 June 2003 on financial business own more than 4/5 of the holdings.

(5) All authorisations granted by the board of directors in pursuance of subsection (1) shall appear in the minute book of the board of directors.

(6) Arbejdsmarkedets Tillægspension shall at least annually publish information on the duties and positions approved by the board of directors under subsection (1). Furthermore, the external auditors shall make a declaration in the audit book comments relating to the annual report stating whether Arbejdsmarkedets Tillægspension has exposures with enterprises covered by subsections (1) and (2).

(7) Notwithstanding subsection (1), the internal auditors may carry out internal audit tasks in schemes and undertakings that are managed by Arbejdsmarkedets Tillægspension in accordance with other legislation or agreements, without the permission of the board of directors.

(8) In special cases, the Danish FSA may grant exemptions from subsection (4).

24e. The regulations on group representation specified in the Companies Act shall not apply to employees in undertakings through which Arbejdsmarkedets Tillægspension carries out other activities on a temporary basis.

25.-(1) As far as possible, the board of representatives and the board of directors should have a balanced composition of men and women.

(2) When members are recommended under section 21(2) and (3) and section 23(1), both a man and a woman shall be recommended. If more than one member is to be recommended, an equal number of men and women shall be recommended. If an odd number of persons is to be recommended, one more of one sex than the other shall be recommended. The organisations shall state their preferences in their recommendations and the Minister for Employment shall follow said recommendations unless they would result in a disproportionate representation of the sexes in the board of representatives or the board of directors. In such cases the Minister for Employment has the right to appoint others from those recommended so that the board of representatives and the board of directors are composed of an equal number of men and women. The Minister for Employment shall decide who of the persons recommended shall be appointed as members of the board of representatives and the board of directors.

(3) If there are special reasons, the authority or organisation may derogate from subsection (2). In such cases the authority or organisation shall state its reasons.

Part 7a

Annual report and audit

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25a.-(1) For each accounting year, the board of directors and the chief executive officer shall prepare an annual report which, as a minimum shall comprise a management endorsement, a balance sheet, an income statement, notes - including a statement of accounting policies - and a management's review. When the annual report has been audited, the audit report shall be included therein.

(2) The annual report shall be prepared in accordance with the regulations stipulated in this part of this Act as well as regulations issued pursuant to section 25m.

25b. Each individual member of the management shall be responsible for ensuring that the annual report is prepared in accordance with legislation and any further accounting and reporting requirements provided for by articles of associations or by agreement. Further, each individual member shall be responsible for ensuring that the annual report may be audited and approved in time if auditing is required. Finally, each individual member of the board of directors shall be responsible for ensuring that the annual report is submitted to the Ministry of Employment and the Danish FSA within the time limit specified in legislation.

25c.-(1) When the annual report has been prepared, it shall be signed and dated by all members of the board of directors and the chief executive officer. They shall affix their signatures to a management endorsement, stating whether

- 1) the annual report has been presented in accordance with the requirements provided for by legislation and any standards as well as any requirements provided for by the articles of association or by agreement, and
- 2) the annual report gives a true and fair view of the assets and liabilities, financial position and results for the year, and if consolidated financial statements are prepared, the group's assets and liabilities, financial position and results for the year.

(2) If the management has added supplementary reports to the annual report, the members of the board of directors and the chief executive officer shall state in the management endorsement whether the report provides a true and fair view in accordance with generally accepted guidelines for such reports.

(3) Even if a member of the management disagrees with the annual report in full or in part or has objections to the annual report being approved with the contents decided upon, said member shall not be entitled to omit to sign the annual report. However, such member of the management may state his or her objections giving specific and adequate grounds in connection with his or her signature and the management endorsement.

25d.-(1) The annual report shall provide a true and fair view of Labour Market Supplementary Pension's assets and liabilities, financial position and results for the year and, if consolidated financial statements have been prepared, the group's assets and liabilities, financial position and results for the year.

(2) If the application of the provisions of this Act or regulations issued pursuant to section 25m is not sufficient to give a true and fair view in accordance with subsection (1), further disclosure shall be made in the annual report.

(3) If, in special cases, the application of the provisions laid down in this part of this Act or the application of regulations issued pursuant to section 25m conflicts with the requirement of subsection (1), such provisions or regulations shall be derogated from so that the requirement can be met. Any such derogation shall be disclosed in the notes for each accounting year, giving specific and adequate grounds and indicating the effect, including, if possible, the effect

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in terms of amounts, of the derogation on the assets and liabilities, financial position and the results of Arbejdsmarkedets Tillægspension and the group respectively.

25e.-(1) In order for the statutory parts of the annual report to give a true and fair view in accordance with section 25d, the regulations in subsections (2) and (3) shall be complied with.

(2) The annual report shall be prepared so as to support users of financial statements in their financial decisions. Such users are private individuals, undertakings, organisations, and public authorities, etc., whose financial decisions must normally be expected to be affected by an annual report, including members, creditors, employees, customers, alliance partners, local communities, and subsidising and fiscal authorities. As a minimum, the decisions in question concern:

- 1) investment of the user's own resources,
- 2) the management's administration of the funds of the undertaking, and
- 3) the distribution of the funds of the undertaking.

(3) The annual report shall be prepared so as to disclose information about matters which are normally relevant to users, cf. subsection (2). The information disclosed shall also be reliable in relation to users' normal expectations.

25f.-(1) The annual report shall be prepared in accordance with the basic assumptions set out below:

- 1) It must be prepared in a clear and understandable manner (clarity).
- 2) The substance of transaction rather than formalities without any real content must be accounted for (substance over form).
- 3) All relevant matters must be included in the annual report unless they are insignificant (materiality). But where several insignificant matters are deemed to be significant when combined, they must be included.
- 4) The operation of an activity is based on a going concern assumption unless it is to be discontinued or it is assumed that it will not be possible to be continued. If an activity is discontinued, classification and presentation as well as recognition and measurement must be adjusted accordingly.
- 5) Any change in value must be shown irrespective of the effect on the own funds and income statement (neutrality).
- 6) Transactions, events and changes in value must be recognised when occurring irrespective of the time of payment (accrual basis).
- 7) Methods of recognition and measurement basis must be applied uniformly to the same category of matters (consistency).
- 8) Each transaction, event and change in value must be recognised and measured individually, and individual matters must not be offset against each other (gross presentation).
- 9) The opening balance sheet for the accounting year must be equivalent to the closing balance sheet for the previous accounting year (formal consistency).

(2) Presentation and classification, method of consolidation, method of recognition and measurement basis as well as the monetary unit applied may not be changed from period to period (actual consistency). However, a change may be made if this results in a more true and fair view being given, or if the change is necessary in order to comply with new regulations issued pursuant to section 25m.

(3) The provisions in subsection (1), nos. 6-9, and subsection (2) may be derogated from in special cases. In such cases, section 25d(3), 2nd clause shall apply correspondingly.

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25g.-(1) The assets and liabilities of Arbejdsmarkedets Tillægspension shall, unless otherwise provided for pursuant to section 25m, be measured at fair value. Assets and liabilities shall be depreciated and revalued in accordance herewith and depreciation and revaluation amounts shall be included in the income statement unless otherwise specified pursuant to section 25m.

(2) The fair value shall be determined as the market value of the relevant asset or liability within a well-functioning market. Where such an asset or liability is not traded on a well-functioning market, a recognised method shall be employed to calculate the fair value of the relevant asset or liability.

25h.-(1) Supplementary reports, for example reports on knowledge and know-how and employee conditions (knowledge accounts), environmental issues (green accounts), the social responsibility of Arbejdsmarkedets Tillægspension (social accounts), and ethical objectives and follow-up to same of Arbejdsmarkedets Tillægspension (ethical accounts), shall give a true and fair view in accordance with generally accepted guidelines for such reports. Such reports shall meet the quality requirements in section 25e(3) and the basic assumptions set out in section 25f(1) and (2) subject to the special terms required by the nature of the case.

(2) The methods and measurement basis used for the preparation of the supplementary reports shall be disclosed in the reports.

25i. The accounting year shall cover the calendar year. This requirement shall also apply to any subsidiary companies.

25j. Recognition, measurement and disclosure in monetary units shall be denominated in Danish kroner (DKK).

25k. The annual report shall be audited by the external auditors of Arbejdsmarkedets Tillægspension, cf. section 25p. Such audit shall not apply to the supplementary reports included in the annual report, cf. section 25h.

25l.-(1) The audited and approved annual report and a transcript of the audit book regarding the audit of the annual report shall be submitted to the Ministry of Employment and the Danish FSA without undue delay after the annual report was approved by the board of representatives pursuant to section 22(1), subject however to a maximum of four months after the end of the accounting year. If the board of directors has established an internal audit department, the audit book of the chief internal auditor shall also be submitted.

(2) The annual report submitted shall as a minimum include the compulsory elements and the full audit report. Where Arbejdsmarkedets Tillægspension wishes to publish supplementary reports as specified in section 25h, such reports shall be submitted with the compulsory elements of the annual report, so that the compulsory elements and the supplementary reports jointly form a single document, designated as the "annual report".

(3) Together with the submission of the annual report under subsection (1), a copy of the annual report from all subsidiary undertakings of Arbejdsmarkedets Tillægspension shall be submitted.

25m.-(1) The Danish FSA shall lay down more detailed regulations on the annual report, including regulations on the recognition and measurement of assets, liabilities, revenue and expenditure, presentation of the income statement and balance sheet, and requirements regarding notes and the management's review.

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(2) The Danish FSA shall also lay down regulations on consolidated financial statements, including regulations on when the annual report is to include consolidated financial statements.

(3) The Danish FSA may lay down regulations on the preparation and publication of interim statements covering shorter periods than the annual report.

25n. In order to ensure that the annual report of Arbejdsmarkedets Tillægspension is in accordance with the regulations of this part of this Act and the regulations issued in pursuance of section 25m, the Danish FSA may

- 1) provide guidance,
- 2) take action against violations, and
- 3) order that errors be corrected and that violations be remedied.

25o.-(1) The Danish FSA may require Arbejdsmarkedets Tillægspension to submit regular accounts to Danish FSA in accordance with more detailed guidelines laid down by the Danish FSA.

(2) The Danish FSA may demand that the accounts referred to in subsection (1) be supplemented with reports on individual matters, signed by Arbejdsmarkedets Tillægspension's chief executive officer, board of directors or responsible actuary.

25p.-(1) The annual report of Arbejdsmarkedets Tillægspension shall be audited by at least one auditor who is a state-authorized public accountant. The board of representatives shall appoint the auditors, but may cancel such appointment at any time. The Ministry of Employment may in exceptional cases appoint an extra auditor. This auditor shall act under the same conditions and according to the same regulations as the auditors elected by the board of representatives.

(2) The auditors of Arbejdsmarkedets Tillægspension shall also be the auditors of any subsidiary undertakings.

(3) Subsection (2) shall not apply to subsidiary undertakings which are not domiciled in Denmark.

(4) The board of directors may decide to establish an internal audit department headed by a chief auditor.

(5) On a change of auditors, Arbejdsmarkedets Tillægspension and the outgoing auditor shall submit separate accounts of the change to the Danish FSA no later than one month after the termination of office where the change is caused by special circumstances.

(6) If an auditor is clearly unsuitable for the position, the Minister for Employment may dismiss said auditor and appoint another auditor instead to act until a new election.

(7) The auditors shall keep an audit book for use by the board of directors, and this shall be presented at each meeting of the board of directors. Each addition to the audit book shall be signed by all the members of the board of directors.

(8) The board of directors may not permit, cf. section 24d(1) that the chief and deputy chief internal auditors perform audit tasks in undertakings outside the group, cf. however section 24d(7). Neither may the board of directors permit that the chief and deputy chief internal

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auditors perform work other than audit tasks in undertakings within the group, in schemes managed by Arbejdsmarkedets Tillægspension, or in undertakings within the same joint administrative organisation, cf. section 24d(7). In special cases, the Danish FSA may grant exemptions from the 1st clause.

(9) The board of directors may not permit, cf. section 24d(1), that the chief and deputy chief internal auditors assume duties that mean that they come into conflict with provisions on legal capacity corresponding to those that apply to external auditors in the "lov om statsautoriserede og registrerede revisorer" (state-authorized public accountants and registered public accountants act).

25q.-(1) The auditors shall always be entitled to attend meetings of the board of directors when matters relevant to the audit or the presentation of the accounts are addressed.

(2) The auditors shall participate in the board of directors' treatment of matters where such participation is requested by one or more members of the board of directors.

(3) The auditors shall be entitled to be present at a meeting of the board of representatives. Said auditors shall be present if requested by the board of directors or a member of the board of representatives.

(4) The Danish FSA shall lay down regulations regarding performance of the audit of Arbejdsmarkedets Tillægspension.

(5) The Danish FSA may order the auditor to disclose information about the conditions of Arbejdsmarkedets Tillægspension. If the board of directors has established an internal audit department under section 25p(4), the same shall apply to the chief internal auditor.

25r. An external auditor and a chief internal auditor shall immediately notify the Danish FSA of matters which are of material importance to the continued operation of Arbejdsmarkedets Tillægspension, including matters which may be observed by the auditors while performing their audit in undertakings with which Arbejdsmarkedets Tillægspension is closely linked, cf. the definition in the Financial Business Act.

Part 8

Placement of funds

26. The board of directors and the chief executive officer shall invest the capital of Arbejdsmarkedets Tillægspension in an appropriate manner, and a manner advantageous for the members such that there is adequate security that Arbejdsmarkedets Tillægspension can meet its obligations at all times. Placement of funds shall be carried out aiming at maintaining the real value of the funds.

26a. In pursuance of the provisions in this part of this Act, assets shall be calculated in accordance with the following regulations:

- 1) Assets shall be calculated and adjusted regularly in accordance with the principles that apply to submission of annual reports by Arbejdsmarkedets Tillægspension.
- 2) Any assets subject to a charge shall be deducted, and loans may only be included at a value net of obligations that may be due to the borrower.

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- 3) Where Arbejdsmarkedets Tillægspension has entered into financial contracts reducing the risk that the assets cannot cover the commitments, the value of such contracts shall be included in the value of the assets.
- 4) Accrued interest receivable on securities covered by section 26b(1), nos. 1-4, 6, 8 and 10-12 shall be included in the value of the securities.

26b. The funds shall be placed in the following categories of assets:

- 1) Bonds or instruments of debt issued or guaranteed by central governments or regional authorities within zone A.
- 2) Listed bonds issued by international organisations with a membership of no less than one Member State of the European Union.
- 3) Mortgage-credit bonds and other bonds issued in a country within the European Union or in a country with which the Community has entered into an agreement for the financial area, and which offers corresponding security.
- 4) Amounts receivable from credit institutions and insurance companies under public supervision in countries within zone A, although not amounts receivable that are subordinated other creditors, as well as other amounts receivable that are guaranteed by credit institutions or insurance companies under public supervision in countries within zone A.
- 5) Land, residential property, offices and commercial property, as well as other property, the value of which is independent of any specific commercial use.
- 6) Loans secured by registered mortgaged property covered by no. 5 for an amount of up to 80 per cent of the most recent property valuation for residential properties and 60 per cent for other properties.
- 7) Units and certificates in a branch of investment undertakings approved under Council Directive 85/611/EEC (the UCITS Directive), and units in a branch of placement associations, money-market associations, funds of funds and restricted associations, cf. section 1(1), nos. 1-3 of the Investment Associations and Special-Purpose Associations as well as other Collective Investment Schemes etc. Act.
- 8) Other bonds and loans listed on a stock exchange in countries within zone A.
- 9) Holdings listed on a public stock exchange in countries within zone A.
- 10) Properties not covered by no. 5 as well as loans secured by registered, mortgaged property not covered by no. 6.
- 11) Holdings and other securities listed on a stock exchange in countries outside zone A.
- 12) Unlisted holdings, including holdings traded on an authorised market place, cf. section 40(1) of the Securities Trading, etc. Act, or another regulated market, that is publicly recognised, open regularly, and open to the public, as well as other loans and securities not covered by nos. 1-11.

(2) The funds may be used for loans to employers that have paid contributions to Arbejdsmarkedets Tillægspension subject, however, to a maximum of 50 per cent of the contribution paid and a minimum of DKK 500.00. Such loans shall be granted through banks at the usual lending rate of said banks, and the banks shall be liable to Arbejdsmarkedets Tillægspension for the repayment of the loan.

(3) The funds may be placed in a subsidiary undertaking fully owned by Arbejdsmarkedets Tillægspension, the object of which is to provide administrative services except portfolio management for pension funds and similar arrangements in life assurance companies covered by the Financial Business Act or schemes laid down in pursuance of the LD Pensions Act. Furthermore, said company may provide administrative services for pension schemes, authorities and other providers of retirement pension, early retirement pension and similar, including for affiliations of such other providers, with a view to providing information for

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members, customers, etc. A potential sale of services from Arbejdsmarkedets Tillægspension to such company shall take place in accordance with the regulations in section 23(4).

(4) The funds may be placed in subsidiary undertakings fully owned by Arbejdsmarkedets Tillægspension and the object of which is to carry out financial business covered by the Financial Business Act, except banking, mortgage-credit and insurance business.

(5) If Arbejdsmarkedets Tillægspension owns a subsidiary undertaking whose activities are limited to carrying out and making and managing investments covered by subsection (2), the assets of the subsidiary undertaking within the value of holdings in and any loans to said subsidiary undertaking may be treated as assets under subsection (1). If the subsidiary undertaking is not fully owned, its assets shall be included at a proportionate value corresponding to the proportion of the own funds owned.

26c.-(1) Placement of funds by Arbejdsmarkedets Tillægspension in a single undertaking may not lead to Arbejdsmarkedets Tillægspension alone or together with the Labour Market Occupational Diseases Fund or together with subsidiary undertakings owned by Arbejdsmarkedets Tillægspension which they own, can exercise controlling influence or the Labour Market Occupational Diseases Fund being able to exercise controlling influence over said undertaking, unless otherwise provided by subsection (2) or (3).

(2) Subsection (1) shall not apply to placement of funds in subsidiary undertakings under section 26b(3)-(5).

(3) Arbejdsmarkedets Tillægspension may, temporarily, carry out other activities to secure or phase out exposures already entered into, or with regard to restructuring of enterprises. Arbejdsmarkedets Tillægspension shall inform the Danish FSA regarding this matter.

26d. The following limits shall apply to placement of the assets of Arbejdsmarkedets Tillægspension:

- 1) Assets covered by section 26b(1), nos. 7-12 may comprise a total of no more than 70 per cent.
- 2) Assets covered by section 26b(1), no. 12 may comprise a total of no more than 20 per cent, cf. however subsection (2).
- 3) Assets covered by section 26b(1), no. 11 may comprise a total of no more than 10 per cent.
- 4) Loans covered by section 26b(1), no. 12 may comprise a total of no more than 2 per cent.
- 5) Assets covered by section 26b(1), nos. 4, 6-9, 11 and 12, issued or guaranteed by banks, mortgage-credit institutions, insurance companies, branches of investment undertakings which have been approved under Council Directive 85/611/EEC (the UCITS Directive), as well as placement associations, money-market associations, funds of funds and restricted associations, which for each undertaking and branch of an association comprise more than 5 per cent of the assets of Arbejdsmarkedets Tillægspension, may total no more than 40 per cent.

(2) Other loans and securities covered by section 26b(1), no. 12 which are not traded on an authorised market place or on another regulated market that is publicly recognised, open regularly, and open to the public, may comprise no more than 10 per cent of the assets of Arbejdsmarkedets Tillægspension.

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26e.-(1) The following limits concerning the assets of Arbejdsmarkedets Tillægspension shall apply for including assets comprising a risk for an individual undertaking or a group of mutually connected undertakings:

- 1) Assets covered by section 26b(1), no. 3 may comprise no more than 40 per cent.
- 2) Assets covered by section 26b(1), no. 4 may comprise no more than 10 per cent.
- 3) Assets covered by section 26b(1), no. 7 may comprise no more than 10 per cent, cf. however subsection (2).
- 4) Assets covered by section 26b(1), nos. 5, 6 and 8-12 may comprise no more than 5 per cent, cf. however subsection (3).
- 5) Assets covered by section 26b(1), nos. 6, 8, 9, 11 and 12 may comprise no more than 3 per cent, cf. however subsection (4).
- 6) Loans covered by section 26b(1), no. 12 may comprise no more than 1 per cent.

(2) If a branch of an investment undertaking approved in pursuance of Council Directive 85/611/EEC (the UCITS Directive) or a branch of a placement institution, cf. section 2b(1), no. 7, under its articles of association may only invest in assets covered by section 26b(1), nos. 1-3, the investment may also be classified under section 26b(1), nos. 1-3.

(3) For holdings in and loans to an undertaking whose activities exclusively comprise investments in assets covered by section 26b(1), nos. 5 and 10, the limit mentioned in subsection (1), no. 4, shall apply to the exposure with the undertaking.

(4) The limit in subsection (1), no. 5 shall be two per cent if the undertaking is not domiciled or listed in a country within Zone A or if the own funds of the company do not exceed DKK 250 million.

(5) Subsection (1), no. 5 and subsection (3) shall not apply to investments in a subsidiary undertaking covered by section 26b(3)-(5), or to investments in undertakings whose activity according to their articles of association is limited to investing in assets covered by section 26b(1), nos. 1-3. In the latter case, in relation to the provisions of subsection (1), nos. 4-6 and (2) as well as section 26d(1), nos. 1, 2 and 4, the investment may be classified under section 26b(1), nos. 1-3.

(6) The board of directors shall lay down more detailed provisions on the exchange-rate and interest-rate risk exposures of Arbejdsmarkedets Tillægspension.

26f. The Danish FSA may grant exemptions from sections 26b and 26e(1), nos. 2-6 and (2)-(5) for a limited period.

26g. The Danish FSA may lay down more detailed regulations on limitation of securities covered by more than one of the groups of assets mentioned in section 26b(1).

Part 9

Supervision

27.-(1) The Danish FSA shall ensure compliance with section 23(6) and sections 23b and 24a-24d as well as parts 6, 7a, and 8 of this Act.

(2) The Financial Business Council shall be included in supervision under subsection (1) within the competence areas of the Council, cf. section 345(2) of the Financial Business Act.

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(3) The Danish FSA may order Arbejdsmarkedets Tillægspension to carry out measures that the Danish FSA considers necessary within a specified time limit to ensure compliance with the parts and provisions of this Act mentioned in subsection (1).

(4) The Danish FSA may order that Arbejdsmarkedets Tillægspension remove a chief executive officer covered by section 23a(2) within a time limit specified by the Danish FSA.

(5) The Danish FSA shall notify the Minister for Employment of an order in pursuance of subsections (3) and (4) at the same time as issuing said order.

27a.-(1) The Danish FSA shall examine the circumstances of Arbejdsmarkedets Tillægspension which are subject to supervision by the Danish FSA, cf. section 27(1), including through reviews of regular reports and through inspections.

(2) Following an inspection of Arbejdsmarkedets Tillægspension, a meeting shall be held, including as participants the board of directors of Arbejdsmarkedets Tillægspension, the chief executive officer, the responsible actuary, the external auditors, and the chief internal auditor, unless such inspection exclusively concerns clearly demarcated areas of activity in Arbejdsmarkedets Tillægspension. At said meeting, the Danish FSA shall announce its conclusions regarding the inspection.

(3) Following an inspection visit, significant conclusions shall be submitted in the form of a written report to the board of directors, the chief executive officer, the responsible actuary, the external auditors, and the chief internal auditor. Said persons shall confirm having been made aware of said report by signing it, whereupon the report shall be returned to the Danish FSA.

(4) The Danish FSA shall submit a copy of the report to the Minister for Employment at the same time as forwarding the report to the management.

27b.-(1) Arbejdsmarkedets Tillægspension shall provide the Danish FSA with such information as is necessary for the performance of the duties of the Danish FSA.

(2) The Danish FSA may at all times, on proof of identity and without a court order, gain access to Arbejdsmarkedets Tillægspension with a view to obtaining information, including during inspections.

(3) To the extent required to assess the financial position of Arbejdsmarkedets Tillægspension, the Danish FSA shall be entitled to obtain information and at any time, on proof of identity and without a court order, have access to undertakings with which Arbejdsmarkedets Tillægspension has special direct or indirect links.

(4) The Danish FSA may ask for any information, including accounts, accounting records, printouts of books, other business records, and electronically stored data deemed necessary for the activities of the Danish FSA.

27c. The Danish FSA shall provide the Minister for Employment with an annual report on supervision of Arbejdsmarkedets Tillægspension and a separate statement based on the report by the responsible actuary of the actuarial status of Arbejdsmarkedets Tillægspension, cf. section 24a(5). Arbejdsmarkedets Tillægspension shall be notified of the contents of such annual report.

27d. Arbejdsmarkedets Tillægspension shall pay a fee to the Danish FSA. Said fee shall be set pursuant to part 22 of the Financial Business Act.

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27e. Decisions made by the Danish FSA under this Act or regulations issued pursuant to this Act may be brought before the Company Appeals Board by the person against whom said decision is directed no later than 4 weeks after the person concerned has been notified about the decision.

27f.-(1) Section 354 of the Financial Business Act regarding the duty of confidentiality of the Danish FSA shall apply to this Act with the necessary variations in its operation.

(2) For stipulating who shall be considered party in relation to this Act, section 355 of the Financial Business Act shall apply with the necessary variations in its operation. Status as party and authorities as party under section 355 of the Financial Business Act shall be limited by this Act to conditions where decisions by the Danish FSA are made after 1 July 2004.

Part 10

Board of appeal

28.-(1) Decisions by Arbejdsmarkedets Tillægspension in pursuance of this Act regarding

- 1) membership,
- 2) contributions, including calculation and collection, or
- 3) pensions

may, except for decisions made in pursuance of section 15(1) and decisions covered by part 6, be brought before a board of appeal within a time limit of 4 weeks from the day the decision was notified.

(2) The board of appeal shall comprise 5 members, who in addition to one proxy for each member shall be appointed by the Minister for Employment for a term of 3 years. Three of the members shall be appointed following recommendations from the President of the Supreme Court, the President of the Maritime and Commercial Court and the Danish Labour Court respectively and two members shall be appointed following recommendations by the employers' representatives and wage-earner representatives on the board of representatives of Arbejdsmarkedets Tillægspension respectively.

(3) The board of appeal shall draw up its rules of procedure.

Part 11

Miscellaneous provisions

29. Claims for benefits under this Act, except for payments mentioned in section 17i(2), 2nd and 3rd clauses, may not be made subject to attachment, enforcement or other legal proceedings. Contracts completed by the persons entitled with regard to these claims shall be invalid.

30.-(1) Any person, who employs one or more wage earners, and who is covered by this Act shall notify this in accordance with any more detailed regulations laid down by the Minister for Employment following recommendation by board of directors of Arbejdsmarkedets Tillægspension.

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(2) Public authorities, insurance companies that write industrial injuries insurance, unemployment insurance funds, as well as employers, wage earners and unions shall, on request, disclose all information to Arbejdsmarkedets Tillægspension that is of significance to determining issues involving pensions under this Act.

31. (Repealed)

32.-(1) Unless more severe penalty is due under other legislation, a fine or lenient imprisonment shall be imposed on any person who, as a member of the board of directors or board of representatives or as chief executive officer, actuary or auditor of Arbejdsmarkedets Tillægspension

- a) omits to perform his duties under this Act,
- b) gives incorrect or misleading information to the Minister for Employment, the Danish FSA or other public authorities, or to the management on matters relevant to Arbejdsmarkedets Tillægspension, or
- c) is guilty of gross or frequently repeated negligence or carelessness that may entail losses for Arbejdsmarkedets Tillægspension or its members.

(2) The persons mentioned in subsection (1) as well as employees of Arbejdsmarkedets Tillægspension shall, under section 152, cf. 152e of the Criminal Code, be obliged to keep confidential all information they obtain in connection with their office or function.

32a.-(1) Any person violating section 23a(3), section 25l, and section 25r shall be liable to a fine or imprisonment of up to four months unless more severe punishment is incurred under other legislation. Any person violating the provisions of section 23b(1), nos. 1-4, sections 24b and 24c, section 24d(1), (2), 1st clause, (3), (5) and (6), section 25a(1), 1st clause, section 25c(1) and (2) and (3), 1st clause, sections 25d and 25e, section 25f(1), (2), 1st clause and (3), 2nd clause, sections 25g, 25h, 25i and 25j, section 25k, 1st clause, section 25o, section 25p(2) and (5), and section 27a(3), 2nd clause shall be liable to a fine. Arbejdsmarkedets Tillægspension shall be liable to a fine if Arbejdsmarkedets Tillægspension fails to comply with an order issued pursuant to section 27(3) and (4).

(2) In regulations issued pursuant to this Act, fines may be stipulated for any violation of the provisions of said regulations.

(3) The period of limitation for violations of the provisions of this Act or regulations issued pursuant to this Act shall be 5 years.

33.-(1) The following shall be liable to a fine:

- a) an employer, who fails to make the notification mentioned in section 30(1) by the due date, or who fails to pay the total contributions for a member of Arbejdsmarkedets Tillægspension employed by him by the due date.
- b) any person who fails to comply with a request for information from Arbejdsmarkedets Tillægspension or the board of appeal pursuant to section 30(2), or any person who gives Arbejdsmarkedets Tillægspension or the board of appeal incorrect or misleading information on matters of significance for decisions in pursuance of this Act.

(2) If such offence has been committed with the intention of withholding contributions from Arbejdsmarkedets Tillægspension, or if there are other particularly aggravating circumstances, the penalty may be increased to lenient imprisonment or imprisonment for up to 2 years.

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(3) Cases shall be treated as police court cases. If the charge relates to the offences mentioned in subsection (2), parts 68, 69, 71 and 72 of the Administration of Justice Act on legal remedies shall apply to the same extent as in cases, which under ordinary regulations, fall under the jurisdiction of the public prosecutor.

34. In instructions drafted by the Minister for Employment subject to the statutory authority of this Act, fines may be stipulated for any violation of the provisions of such instructions.

35. Companies, etc. (legal persons) may be liable to penalties according to the regulations in chapter 5 of the Criminal Code.

36.-(1) Objections to the size of the contributions posted for a member may not be submitted after more than 3 years from receipt of a statement of account from Arbejdsmarkedets Tillægspension regarding said contributions. In other cases objections may not be submitted after 5 years from the date a contribution should have been paid to Arbejdsmarkedets Tillægspension.

(2) In the event that a supplementary pension awarded has not be drawn upon over a period of 3 consecutive years, that part of the supplementary pension remaining undrawn for more than 3 years shall lapse. The board of directors of Arbejdsmarkedets Tillægspension may, however, derogate from this provision in certain cases.

37. Benefits in accordance with this Act shall not be included in calculations of the income that form the basis of the basic amount for the state retirement pension.

38.-(1) This Act shall not extend to the Faeroe Islands and Greenland, cf. however subsections (2) and (3).

(2) Danish wage earners, who are not domiciled on the Faeroe Islands, and who are employed on the Faeroe Islands by the Danish state or by undertakings and institutions with headquarters or operations in the other part of the Realm shall be covered by this Act provided they fulfil the other conditions of membership.

(3) Wage earners, who are not domiciled in Greenland, and who are employed in Greenland by the Danish state or by Danish undertakings and institutions shall be covered by this Act provided they fulfil the other conditions for membership of Arbejdsmarkedets Tillægspension. Corresponding regulations shall apply for Danish wage earners who are not domiciled in Greenland, and who are employed by foreign undertakings and institutions in Greenland.

Part 12

Entry into force

39. Amounts shall be withheld from pay and the employer's contribution shall be paid on the basis of pay that is earned from the start of the pay week in which 1 April 1964 falls, however for monthly paid wage earners from 1 April 1964.

40. Persons born in March 1898 shall be in receipt of a supplementary pension in accordance with the regulations in this Act calculated from 1 April 1965, notwithstanding the provisions of section 5(1) and section 9(1) to the extent that they fulfil the conditions in section 8 on pension seniority.

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41. Payments of supplementary pensions shall commence on 1 April 1965.

42. Following consultation with the board of representatives the Minister for Employment shall lay down regulations for the term of office of the employer representatives and wage earner representatives.

43. (Transitional provision, omitted)

44. This Act shall enter into force immediately.

Act no. 358 of 14 June 1995 contains the following provision regarding entry into force in section 2:

2.-(1) The date of entry into force of this Act shall be laid down by the Minister for Employment. ³⁾ This Act shall, however, enter into force no earlier than 1 January 1996. The Minister for Employment shall also lay down which period of ATP contributions payments shall form the basis of the increased compensation amounts for the first time. For ATP contributions regarding the period before entry into force of this Act, the compensation amount shall be calculated in accordance with the regulations hitherto in force.

Act no. 1057 of 20 December 1995 contains the following provision regarding entry into force in section 10:

10.-(1) This Act shall enter into force on 1 January 1997. Section 1, no. 4 shall, however, enter into force on 1 January 1996.

(2) The contributions stated in section 2, no. 1, section 3, no. 1, and section 5, no. 1 shall, for 1997, comprise 150 per cent of the contribution laid down in section 15(1) of the Act on Arbejdsmarkedets Tillægspension.

(3) The contributions stated in section 4, no. 1, section 8, no. 1, and section 9, no. 2 shall, for 1997, comprise 50 per cent of the contribution laid down in section 15(1) of the Act on Arbejdsmarkedets Tillægspension.

Act no. 1071 of 20 December 1995 contains the following provision in section 37:

37.-(1) The date of entry into force of this Act or of parts of this Act shall be laid down by the Minister for Economic and Business Affairs, ⁴⁾ with regard to section 42, following discussions with the Minister for Taxation.

(2) ---

(3) ---

(4) ---

(5) ---

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Act no. 1197 of 27 December 1996 contains the following provisions in section 2:

2.-(1) This Act shall enter into force on 1 January 1997.

(2) This Act shall apply to compensation amounts relating to employment after 1 January 1988. For the period 1 January 1988 - 1 January 1997, however, only compensation amounts exceeding DKK 100.00 shall be paid. The total compensation amount shall be paid by Arbejdsmarkedets Tillægspension.

(3) Compensation amounts relating to the period 1 January 1988 - 1 January 1997 shall be subject to interest from the date they should have been paid, if the employer had been registered for VAT. Interest shall accrue until the day the amount may be withdrawn at an annual rate corresponding to the official discount rate plus a supplement of 6 per cent.

Act no. 475 of 10 June 1997, as amended by section 5 of Act no. 414 of 26 June 1998 and section 2 of Act no. 1051 of 23 December 1998 contains the following provisions in section 9

9.-(1) This Act shall enter into force on 1 January 1998. - - - section 3, nos. 1-4, 7-12, 14 and 17 shall, however, enter into force on the day following the publication of this Act in the Danish Law Gazette.

(2) The board of directors shall have prepared internal guidelines in accordance with - - - section 24c(2) and section 24e(1) of the Act on Arbejdsmarkedets Tillægspension, as stated in section 8, no. 1 of this Act, no later than 1 March 1998.

(3) The provisions of - - - section 24d(3), 2nd clause, section 24e(2), section 24f, section 24i(3), 2nd clause, and section 25b(9) of the Act on Arbejdsmarkedets Tillægspension, as stated in section 8, nos. 1 and 2 of this Act shall apply to accounting years beginning on 1 January 1998 or later.

(4) Notwithstanding these provisions, members of the board of management and their deputies and persons of equal status as well as chief internal auditors and deputy chief internal auditors, who at the date of entry into force of this Act own or operate an undertaking in contravention of - - - section 24h of the Act on Arbejdsmarkedets Tillægspension, as stated in section 8, no. 1 of this Act, may continue to carry out such activities.

(5) - - -

(6) - - -

(7) Notwithstanding the regulations of this Act, members of the board of management and their deputies and persons of equal status, as well as branch managers in financial institutions covered by this Act may carry out duties as members of the board of directors of Danish Ship Finance (DSF), Dansk Eksportfinansiering (Danish export finance), the Danish Agricultural Mortgage Bank (DLR), Danish Venture Finance A/S, Finansieringsinstituttet for Hoteller m.v., FIH - Finance for Danish Industry, the Nordic Association, the LRF Mortgage Bank, Totalkredit Realkreditfond, Grønlandsbanken A/S, The Fishery Bank of the Kingdom of Denmark, and Bornholm's Investment Fund.

(8) - - -

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(9) Exposures and collateralisation legally entered into as at 1 January 1998 between the external auditors or chief internal auditors and deputy chief internal auditors or employees of Arbejdsmarkedets Tillægspension or LD Pensions and the institutions and companies mentioned in sections 1-5, 7 and 8 may continue until the date of expiry originally agreed.

(10) - - -

(11) - - -

(12) - - -

Act no. 803 of 24 October 1997, as amended by section 5 of Act no. 1081 of 29 December 1997 contains the following provisions in section 15.

15.-(1) This Act shall enter into force on the day after notification in the Danish Law Gazette [5\)](#), although section 8 shall enter into force on 1 July 1998.

(2) For persons with an obligation to make contributions under section 7(1), a) and b) and c) of the "lov om en arbejdsmarkedsfond" (act on a labour market fund), cf. section 8(1), e) and section 11(1), temporary pension savings shall be collected under section 17b(1) of the Act on Arbejdsmarkedets Tillægspension as stated in section 1, no. 1 of this Act on salaries, remuneration etc. paid from 1 January 1998 and salaries, remuneration etc. paid prior to 1 January 1998 to the extent that such salaries etc. with deductions of tax in accordance with the "kildeskattelov" (deduction of taxes at source act) relate to a period after 31 December 1997.

(3) For persons with an obligation to make contributions under section 7(1), c) of the "lov om en arbejdsmarkedsfond" (act on a labour market fund), cf. section 8(1), e) and section 11(8) and section 7(3), temporary pension savings shall be collected under section 17b(1) of the Act on Arbejdsmarkedets Tillægspension as stated in section 1, no. 1 of this Act for the 1998 income year. For persons whose 1998 income year started before 1 November 1997, pension savings shall, however, only comprise 1/12 of pension savings calculated for the 1998 income year for each month from 1 November 1997 until the end of the income year.

(4) For persons covered by sections 2-4 of this Act, temporary pension savings shall be collected under section 17b(4) of the Act on Arbejdsmarkedets Tillægspension, as stated in section 1, no. 1 of this Act from benefits from unemployment insurance funds paid in the period from 5 January 1998 to 31 December 1998, inclusive.

Act no. 980 of 17 December 1997 contains the following provisions in section 42:

42.-(1) This Act shall enter into force on 1 July 1998 - - -.

(2) - - -

(3) - - -

(4) - - -

(5) - - -

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Act no. 424 of 26 June 1998 contains the following provision in section 9:

9.-(1) This Act shall enter into force on the day after notification in the Danish Law Gazette. [6\)](#)

(2) ---

(3) ---

(4) ---

Act no. 468 of 1 June 1998 contains the following provisions in section 13:

13.-(1) This Act shall enter into force on the day after notification in the Danish Law Gazette.

[7\)](#) Sections 2-7 shall, however, enter into force on 1 January 1999.

(2) This Act shall apply for collection of special pension savings from and including the income year 1999, cf. subsections (3) and (4). Section 1, nos. 2-4, section 8 and section 11 shall apply for collection of temporary pension savings from and including the income year 1998. Section 1, no. 1 and section 12, no. 1 shall apply for amounts paid in to Arbejdsmarkedets Tillægspension after 31 July 1998.

(3) For persons with an obligation to make contributions under section 7(1), a) and b) and c), of the "lov om en arbejdsmarkedsfond" (act on a labour market fund), cf. section 8(1), e) and section 11(1), special pension savings shall be collected under section 17f(1) and section 17f(2), 1st clause of the Act on Arbejdsmarkedets Tillægspension as stated in section 1, no. 6 of this Act from salary, remuneration etc. paid from and including 1 January 1999 as well as salary, remuneration etc. paid before 1 January 1999 to the extent that, for deduction of tax under the "kildeskattelov" (deduction of taxes at source act) the salary etc. refers to a period after 31 December 1998.

(4) For persons with an obligation to make contributions under section 7(1), c) of the "lov om en arbejdsmarkedsfond" (act on a labour market fund), cf. section 8(1), e) and section 11(8) and section 7(3), special pension savings shall be collected under section 17f(1) and section 17f(2), 2nd clause of the Act on Arbejdsmarkedets Tillægspension, as stated in section 1, no. 6 of this Act, from and including the income year 1999. For persons whose 1999 income year started before 1 August 1998, pension savings shall, however, comprise only 1/12 of pension savings calculated for the 1999 income year for each month from 1 August 1998 until the end of the income year.

Act no. 490 of 1 July 1998 contains the following provisions in section 6 and section 7:

6. This Act shall enter into force on 1 August 1998 and shall be effective for annual financial statements from the 1998 accounting year and thereafter.

7. This Act shall not extend to the Faeroe Islands and Greenland. Sections 1, 2 and 5 may be brought into force for Greenland by Royal Decree, subject to any variations in their operation necessitated by the specific conditions prevailing in Greenland.

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Act no. 1033 of 23 December 1998 contains the following provision regarding entry into force in section 5:

5.-(1) This Act shall enter into force on the day after notification in the Danish Law Gazette. [8\)](#) and shall be effective from 1 January 2000, ---

(2) ---

Act no. 1055 of 23 December 1998 contains the following provision regarding entry into force in section 5:

5. This Act shall enter into force on 1 January 1999.

Act no. 278 of 12 May 1999 contains the following provision on entry into force in section 3:

3. This Act shall enter into force on 1 July 1999.

Act no. 288 of 12 May 1999 contains the following provisions regarding entry into force in section 17:

17.-(1) This Act shall enter into force on 1 July 1999, cf. however subsections (2)-(5).

(2) Section 1, no. 20, --- shall enter into force on the day following notification in the Danish Law Gazette. [9\)](#)

(3) ---

(4) ---

(5) ---

Act no. 1077 of 29 December 1999 contains the following provisions regarding entry into force in section 2:

2.-(1) The date of entry into force of this Act shall be laid down by the Minister for Employment. [10\)](#)

(2) The amount of compensation shall be reduced for the first time for the compensation amount paid on the basis of the ATP contributions paid in during the period 23 February-22 May 2000.

(3) In 2000 the amount of compensation shall be reduced by one-third of the annual reduction for each of the 3 payments following the date this Act takes effect. In 2001 and the following years the amount shall be reduced by one-quarter for each of the quarterly payments.

Act no. 1082 of 29 December 1999 contains the following provisions regarding entry into force in section 3 and section 4:

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3. This Act shall enter into force on 1 January 2000. - - -

4. Agreements on pool jobs entered into between the jobseeker and the Public Employment Service (AF) before 1 January 2000 may, however, be completed under the regulations hitherto in force.

Act no. 1085 of 29 December 1999 contains the following provisions regarding entry into force in section 2:

2.-(1) The date of entry into force of this Act shall be laid down by the Minister for Employment. ¹¹⁾ This Act shall, however, enter into force no earlier than 1 January 2000.

(2) The amount of compensation shall be reduced for the first time for the compensation amount paid on the basis of the ATP contributions paid in during the period 23 February-22 May 2000.

(3) In 2000 the amount of compensation shall be reduced by one-third of the annual reduction for each of the 3 payments following the date this Act takes effect. In 2001 and the following years the amount shall be reduced by one-quarter for each of the quarterly payments.

Act no. 335 of 17 May 2000 contains the following provision regarding entry into force in section 3:

3.-(1) This Act shall enter into force on the day after notification in the Danish Law Gazette. ¹²⁾

(2) ---

Act no. 390 of 30 May 2000 contains the following provision regarding entry into force in section 5:

5.-(1) This Act shall enter into force on 1 June 2000.

(2) ---

(3) ---

(4) ---

Act no. 397 of 31 May 2000 contains the following provision regarding entry into force in section 3:

3. This Act shall enter into force on 1 July 2000.

Act no. 458 of 31 May 2000 contains the following provisions regarding entry into force in section 6:

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6.-(1) This Act shall enter into force on the day after notification in the Danish Law Gazette.
[13\)](#)

(2) Sections 1 and 2, section 3, nos. 1 and 2, and section 4 shall take effect from and including the income year 2001.---

(3) ---

(4) ---

Act no. 459 of 31 May 2000 contains the following provisions regarding entry into force in section 9:

9.-(1) This Act shall enter into force on the day after notification in the Danish Law Gazette.
[14\)](#)

(2) Section 1, section 2, section 3, nos. 1 and 2, section 4, section 5, and section 6, nos. 1-3 shall take effect from and including the income year 2001.

(3) ---

(4) ---

(5) ---

Act no. 1248 of 20 December 2000 contains the following provisions regarding entry into force in section 3:

3.-(1) This Act shall enter into force on 1 January 2001.

(2) Section 1, no. 1 shall apply to compensation amounts relating to employment after 1 January 1988. For the period 1 January 1988-1 January 2001, however, only compensation amounts exceeding DKK 100.00 shall be paid. The total compensation amount shall be paid by Arbejdsmarkedets Tillægspension.

(3) Compensation amounts relating to the period 1 January 1988-1 January 2001 shall be subject to interest from the date they should have been paid, if the employer had been registered for VAT. Interest shall accrue until the day the amount is withdrawn at an annual rate corresponding to the official discount rate plus a supplement of 6 per cent.

(4) The amount of compensation, cf. section 1, no. 2 shall be reduced for the first time for the compensation amount paid on the basis of the ATP contributions paid in during for the period 23 February-22 May 2001.

(5) For ATP contributions received for the period 23 November 2000-22 February 2001, the annual amount of compensation shall be reduced to DKK 480.00.

Act no. 1253 of 20 December 2000 contains the following provisions regarding entry into force in section 11:

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11.-(1) This Act shall enter into force on 1 January 2001.

(2) The regulations hitherto in force in the Act on Arbejdsmarkedets Tillægspension and the "lov om en arbejdsmarkedsfond" (act on a labour market fund) on benefits for participation in labour market training schemes shall continue to apply for benefits covered by section 68(4) of Act no. 399 of 31 May 2000 on labour market training schemes.

(3) ---

(4) ---

Act no. 1329 of 20 December 2000 contains the following provision regarding entry into force in section 6:

6. This Act shall enter into force on 1 January 2001.

Act no. 284 of 25 April 2001 contains the following provisions on entry into force in section 8:

8.-(1) This Act shall enter into force on 1 July 2001, cf. however subsections --,-- and 8.

(2) ---

(3) ---

(4) ---

(5) ---

(6) ---

(7) ---

(8) Section 3, no. 2⁽¹⁵⁾ shall enter into force on 1 January 2003.

Act no. 332 of 16 May, 2001 contains the following provisions in section 2:

2.-(1) This Act shall enter into force on 1 January 2002. Section 1, no. 14, however, shall be effective from 1 January 2001.

(2) Only periods of cohabitation from 1 January 2002 shall be included in the requirement for 2 years' cohabitation under section 14b(2), as inserted by section 1, no. 12.

(3) Only membership and contributions relating to the period from 1 January 2002 shall be included in the waiting periods of 2 years under section 14b(3) and section 14e(3), as inserted by section 1, no. 12.

(4) Contributions relating to the period from 1 January 2002 may not form the basis for calculation of benefits under sections 11 and 11a.

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(5) Members, who have attained the age of 65 years on 1 January 2002, shall not be covered by section 1, nos. 12 and 13 of this Act.

Act no. 503 of 7 June 2001 contains the following provision regarding entry into force in section 6:

6.-(1) This Act shall enter into force on 1 July 2001, ---

(2) ---

Act no. 357 of 6 June 2002 contains the following provisions in section 6:

6.-(1) This Act shall enter into force on 10 June 2002, cf. however subsection (2), and shall be effective for the first time for contributions credited for the 2001 income year.

(2) Section 1, no. 1 and sections 2-5 shall enter into force on 1 January 2003, cf. however subsection (5). Amounts deposited in an individual's account in the Temporary pension savings Scheme, cf. part 5b hitherto in force, shall be transferred as at 1 January 2003 to the same individual's account in the Special Pension Savings Scheme (SP). Notwithstanding section 30(1) of the "pensionsbeskatningslov" (tax on pensions act), the merging of the account in the Temporary Pension Savings Scheme and the account in the Special Pension Savings Scheme, cf. the 1st clause, shall not be regarded as a transaction that means that the account transferred to the Special Pension Savings Scheme no longer meets the requirements of part 1 of the "pensionsbeskatningslov" (tax on pensions act). Any adjustment to the amount for the Temporary Pension Savings Scheme for the 1998 income year shall take place in accordance with the regulations hitherto in force, cf. Consolidated Act no. 5 of 4 January 2001. Adjustments after 1 January 2003 shall be made to the relevant individual's account in the Special Pension Savings Scheme.

(3) Any adjustment to the amount for the Special Pension Savings Scheme for the 1999 and 2000 income years shall take place in accordance with the regulations hitherto in force, cf. Consolidated Act no. 5 of 4 January 2001.

(4) ¹⁶⁾ Of the amount that could not be included in the allocation, cf. the hitherto in force section 17g(8), for the credit in 2001 Arbejdsmarkedets Tillægspension shall initially withhold DKK 30 million for later adjustments etc. of accounts. The remaining amount shall be allocated between the account holders. The Minister for Employment shall lay down more detailed regulations on allocation between the account holders of both this remaining amount and the amount which, at that time, has been reserved for adjustments etc.

(5) Taxes on lump sums paid in accordance with section 14b(1) and section 14e(1) of the Act on Arbejdsmarkedets Tillægspension, cf. section 29 B, no. 2 of the "pensionsbeskatningslov" (tax on pensions act), as stated in section 4, no. 1 of this Act, shall apply to benefits for spouses and cohabitantes as well as child benefits paid where death occurs on or after 1 January 2004.

Act no. 403 of 6 June 2002 contains the following provisions regarding entry into force in section 8:

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8.-(1) This Act shall enter into force on 1 January 2003, cf. however subsections (2)-(4).

(2) ---

(3) Section 4, no. 1 shall enter into force on the day after the publication of this Act in the Danish Law Gazette¹⁷⁾ and shall apply from 1 July 2001.

Act no. 428 of 6 June 2002 contains the following provision regarding entry into force in section 19:

19.-(1) This Act shall enter into force on 1 July 2002, ---

(2) ---

(3) ---

(4) ---

Act no. 434 of 10 June 2002 contains the following provision regarding entry into force in section 5:

5. This Act shall enter into force on 1 September 2002.

Act no. 1032 of 17 December 2002, amending sections 2b and 28 of this Act and repealing part 5a of this Act contains the following provisions on entry into force:

7.-(1) This Act shall enter into force on 1 January 2003 and shall be effective for the first time for the compensation amounts that should have been paid on the basis of Labour Market Supplementary Pension Scheme contributions received in the period 23 February-22 May 2003.

(2) Arbejdsmarkedets Tillægspension Board of Appeal may, in accordance with the regulations applying hitherto, process cases on calculation and payment of compensation amounts under section 17a.

Act no. 1066 of 17 December 2002 amending section 2a of this Act contains the following provision regarding entry into force:

6. This Act shall enter into force on 1 January 2003.

Act no. 420 of 10 June 2003 amending section 2a of this Act contains the following provision on entry into force:

3.-(1) This Act shall enter into force on 1 July 2003, ---

(2) ---

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Act no. 421 of 10 June 2003, amending parts 5c, 5d, sections 23, 26a, and 29 of this Act contains the following provisions regarding entry into force¹⁸⁾:

7.-(1) This Act shall enter into force on 1 July 2003, cf. however subsections (2)-(7).

(2) Section 17f(1)-(5), (6), 2nd, 3rd and 6th clauses, and (7); section 17h(1)-(3); section 17i(1); and section 17j as stated in section 1, nos. 1 and 4 of this Act, --- shall enter into force on 1 January 2004. Section 17k(1) and (2), section 17l(1), (2) and (4), and section 17n(1)-(4), as stated in section 1, no. 1 of this Act, --- shall enter into force on 1 January 2005.

(3) Section 17f(6), 1st clause, as stated in section 1, no. 1 of this Act shall apply to amendments of annual tax statement regarding the 1998 income year 1998 and implemented on 1 January 2004 and thereafter. Section 17f(6), 4th clause, as stated in section 1, no. 1 of this Act, shall apply to amendments of annual tax statement regarding the 1998 income year for persons whose death was registered after 1 September 2003.

(4) Section 17f(6), 1st clause, as stated in section 1, no. 1 of this Act shall be effective for amendments of annual tax returns and computations regarding the 2001 income year and later income years, and implemented on 1 January 2004 and thereafter. Section 17f(6), 4th and 5th clauses, as stated in section 1, no. 1 of this Act, shall be effective for arrears and amendments of annual tax statement regarding the 2001 income year and later for persons whose death was registered after 1 September 2003.

(5) Section 17g(1) and (2), as stated in section 1, no. 1 of this Act shall be effective for the first time for credits of contributions paid in for the 2003 income year. For the period up to 30 June 2003, Arbejdsmarkedets Tillægspension shall lay down interest rates on the amount collected regarding the 2003 income year.

(6) Section 17i(2) and (3) as stated in section 1, no. 1 of this Act, shall be effective for pension savings collected regarding the income years 2002 and later for persons whose death was registered on 1 January 2003 and thereafter.

(7) Changes in pension savings paid in, arising as a consequence of changes in tax assessments for the 1999 and 2000 income years shall, from 1 January 2004 and irrespective of the age of the account holder, not lead to changes in the amounts credited to personal SP accounts, but they shall be added to or deducted from the adjustments pool under section 17p, as stated in section 1, no. 1 of this Act.

(8) When section 6(4) of Act no 357 of 6 June 2002 is repealed, cf. section 6 of this Act, the remaining funds shall be transferred to the adjustments pool in accordance with section 17p, as stated in section 1, no. 1 of this Act.

(9) Costs incurred by Arbejdsmarkedets Tillægspension to establish the SP option scheme and the possibility of transferring SP accounts in accordance with section 17k and section 17n respectively, as stated in section 1, no. 1 of this Act, shall be defrayed by the account holders in the Special Pension Savings Scheme. The nonrecurrent expenses incurred by the Central Customs and Tax Administration in connection with the SP option scheme and the possibility of transferring SP accounts, cf. 1st clause shall correspondingly be defrayed by the account holders in the Special Pension Savings Scheme. On 1 July 2003 Arbejdsmarkedets Tillægspension shall transfer DKK 3 million to the Central Customs and Tax Administration to cover said nonrecurrent expenses.

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(10) For persons who have attained the age of 60 years before 1 July 1999, the age limit in section 17f(2), (3) and (6), 3rd clause, and section 17h(4), as stated in section 1, no. 1 of this Act, shall be 66 years; in section 17f(6), 1st clause and (7), as stated in section 1, no. 1 of this Act, the age limit shall be 66½ years; and in section 17f(6), 2nd clause, section 17j(1), section 17r(5), and section 17s(1), as stated in section 1, no. 1 of this Act, the age limit shall be 67 years.

Act no. 453 of 10 June 2003 amending sections 27a and 27d of this Act contains the following provisions regarding entry into force:

375.-(1) This Act shall enter into force on 1 January 2004, ---

(2) ---

(3) ---

(4) ---

(5) ---

Act no. 190 of 24 March 2004 amending section 17f of this Act contains the following provisions regarding entry into force:

5.-(1) This Act shall enter into force on 1 April 2004, cf. however subsection (2) ---.

(2) --- section 17f(9), 1st and 2nd clauses, as stated in section 2 of this Act shall enter into force on 1 July 2005.

(3) ---

Act no. 308 of 4 May 2004 amending section 17f of this Act contains the following provisions regarding entry into force:

2.-(1) This Act shall enter into force on the day after notification in the Danish Law Gazette.
[19\)](#)

(2) Employers with a duty to withhold contributions, unemployment insurance funds, the Public Employment Service (AF), municipalities as well as the Employees' Guarantee Fund shall cease collecting special pension savings with effect on salaries, unemployment benefits, allowances etc. to be paid on 1 June 2004 and thereafter.

(3) Repayment of special pension savings collected for 2004 for persons covered by section 17f(1), 1st clause shall be at the initiative of the state tax authorities. The Minister for Taxation may lay down more detailed rules on repayment.

(4) Repayment of special pension savings collected for 2004 for persons covered by section 17f(3), 1st clause, cf. however section 17f(3), 6th clause, as stated in section 1, no. 2 of this Act, shall be at the initiative of the unemployment insurance fund, the Public Employment Service, or the municipality.

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(5) Repayment of special pension savings collected for 2004 for persons covered by section 17f(3), 3rd clause shall be at the initiative of the Employees' Guarantee Fund.

(6) Following negotiations with the Minister for Taxation, the Minister for Employment shall lay down regulations for repayments by Arbejdsmarkedets Tillægspension to the Central Customs and Tax Administration of contributions relating to 2004 transferred on account.

(7) Arbejdsmarkedets Tillægspension shall repay transferred contributions collected for 2004 for persons covered by section 17f(3), 1st and 3rd clauses to unemployment insurance funds, the Public Employment Service (AF), municipalities, and the Employees' Guarantee Fund.

(8) The Minister for Employment may lay down more detailed regulations on repayment of the amounts mentioned in subsections (4), (5), and (7). The Minister for Employment shall furthermore lay down more detailed regulations on the distribution of returns on the funds in the special holding pool for 2004 after deduction of the costs of managing the holding pool.

(9) The Minister for Employment may lay down more detailed regulations on excluding income-dependent subsidy schemes from this Act.

Act no. 365 of 19 May 2004, amending section 17m, parts 6-9, section 32a, as well as annex B of this Act contains the following provisions regarding entry into force:

6.-(1) This Act shall enter into force on 1 July 2004, cf. however subsection (2) ---.

(2) The Minister for Economic and Business Affairs shall determine the time of entry into force of section 2, no. 5 of this Act, [20](#) ---.

(3) ---

Act no. 468 of 9 June 2004 amending section 17f of this Act contains the following provisions regarding entry into force:

5.-(1) This Act shall enter into force on the day after notification in the Danish Law Gazette. [21](#)

(2) --- as well as section 3 shall apply for income earned from 1 July 2004 and thereafter.

(3) ---

(4) ---

(5) ---

Ministry of Employment , 24 August 2004

Claus Hjort Frederiksen

/E. Edelberg

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Annex A

Pensions basis as at 1 January 2002

For each DKK 100 contributed, cf. section 8b, the following pension rights will be earned from the age of 67.

at the age of	pension at 67 years	at the age of	pension at 67 years
16 years	DKK 18.30	42 years	DKK 12.17
17 years	DKK 18.02	43 years	DKK 11.96
18 years	DKK 17.75	44 years	DKK 11.76
19 years	DKK 17.48	45 years	DKK 11.56
20 years	DKK 17.21	46 years	DKK 11.35
21 years	DKK 16.95	47 years	DKK 11.15
22 years	DKK 16.69	48 years	DKK 10.95
23 years	DKK 16.43	49 years	DKK 10.75
24 years	DKK 16.18	50 years	DKK 10.55
25 years	DKK 15.93	51 years	DKK 10.35
26 years	DKK 15.69	52 years	DKK 10.15
27 years	DKK 15.44	53 years	DKK 9.95
28 years	DKK 15.21	54 years	DKK 9.75
29 years	DKK 14.97	55 years	DKK 9.54
30 years	DKK 14.74	56 years	DKK 9.34
31 years	DKK 14.51	57 years	DKK 9.13
32 years	DKK 14.29	58 years	DKK 8.93
33 years	DKK 14.06	59 years	DKK 8.72
34 years	DKK 13.84	60 years	DKK 8.51
35 years	DKK 13.63	61 years	DKK 8.29
36 years	DKK 13.41	62 years	DKK 8.07
37 years	DKK 13.20	63 years	DKK 7.84
38 years	DKK 12.99	64 years	DKK 7.61
39 years	DKK 12.78	65 years	DKK 7.38
40 years	DKK 12.58	66 years	DKK 7.14
41 years	DKK 12.37	67 years	DKK 7.15

Note: the amounts are based on a common mortality rate for men and women in the ratio 50:50.

Rate of interest applied, cf. section 8b(2), of 2 per cent.

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Annex B

The following countries are covered by Zone A:

EU Member States, other countries with full membership of the Organisation for Economic Cooperation and Development (OECD), and other countries that have entered into special loan agreements with the International Monetary Fund (IMF) and are affiliated with the General Arrangements to Borrow (GAB). A country that restructures its foreign national debt due to inability to pay shall be excluded from Zone A for a period of five years.

Official notes

- ¹⁾ This part shall be repealed from 1 January 2003, cf. Act no. 1032 of 17 December 2002. Adjustments etc. to amounts paid shall follow the regulations hitherto in force, cf. Consolidated Act no. 689 of 20 August 2002.
- ²⁾ Adjustments to the amounts for the Temporary Pension Savings Scheme shall be in accordance with the regulations hitherto in force, cf. section 6(2) of Act no. 357 of 6 June 2002.
- ³⁾ This Act entered into force on 1 January 1996, cf. Executive Order no. 878 of 13 November 1995.
- ⁴⁾ This Act entered into force on 1 January 1996, cf. Executive Order no. 1132 of 20 December 1995.
- ⁵⁾ This Act entered into force on 26 October 1997.
- ⁶⁾ This Act entered into force on 28 July 1998.
- ⁷⁾ This Act entered into force on 3 July 1998.
- ⁸⁾ This Act entered into force on 29 December 1998.
- ⁹⁾ Section 1, no. 20 of this Act entered into force on 15 May 1999.
- ¹⁰⁾ This Act entered into force on 15 May 2000, cf. Executive Order no. 320 of 9 May 2000.
- ¹¹⁾ This Act entered into force on 15 May 2000, cf. Executive Order no. 321 of 9 May 2000.
- ¹²⁾ This Act entered into force on 19 May 2000.
- ¹³⁾ This Act entered into force on 3 June 2000.
- ¹⁴⁾ This Act entered into force on 3 June 2000.
- ¹⁵⁾ Section 3, no. 2 of this Act deals with section 2a(8) of the Act on Arbejdsmarkedets Tillægspension.
- ¹⁶⁾ The subsection has been repealed by Act no. 421 of 10 June 2003.
- ¹⁷⁾ Section 4, no. 1, which deals with section 2b(1), no. 4 of the Act on Arbejdsmarkedets Tillægspension, entered into force on 8 June 2002.
- ¹⁸⁾ This Act also repeals section 6(4) of Act no. 357 of 6 June 2002.
- ¹⁹⁾ This Act entered into force on 6 May 2004.
- ²⁰⁾ This provision had not yet entered into force on 12 July 2004.
- ²¹⁾ This Act entered into force on 11 June 2004.