

Security lodging

This is a general information on how to lodge securities in accordance with Commission Regulation (EEC) No 2220/85 of 22 July 1985 laying down common detailed rules for the application of the system of securities for agricultural products. Detailed rules for various products may differ and can be found in special guidelines covering the different product sectors.

What is considered an approved security?

Cash

Direct transfers shall be made to the Board's bank. The bank is: Danske Bank, Box 7523 SE-10392 STOCKHOLM. Swift-adres:DABASESX. IBAN: SE 2012000000012810104395. The payment notice shall include the following information: registration number, whether the payment is intended to be a single security or a block security (as described below) and whether the security is of a general nature or if it refers to a specific field of activities.

Guarantee

Guarantees shall be signed by a guarantor approved by the Board. The Board accepts guarantees from banks, credit market companies, credit institutions and insurance companies that, according to Swedish law, have the right to operate in Sweden. As regards credit market companies, credit institutes and insurance companies, their articles of association must state that they have the right to lodge securities or issue guarantees. The registration certificate of the company lodging the security, and their mandate giving the signatories of the security the authorization to sign for the company, must be enclosed for the guarantee to be approved.

Foreign companies may lodge securities as well. Companies lodging the securities based in countries comprised by the EEA Agreement must have a licence to operate from their home country, and non-EEA companies lodging the securities must fulfil the conditions of Swedish legislation.

One of the models in Annexes 1-3 shall be used depending on what kind of security is desired. The guarantee can be sent by fax, provided that the original form is sent to the Board as soon as possible, and no later than within five days. A guarantee is a document of value, and should be sent as a registered letter.

Pledge of bank account

A pledge of an amount in a bank account to the Swedish Board of Agriculture shall be done in accordance with the model in annex 4. The pledge may be sent by fax on condition that the original form is sent to the Board as soon as possible and no later than within five days.

What are the various forms of securities?

Single security

A security that is lodged for a single export occasion is referred to as a single security (see annex 1 for bank guarantee). When a single security is lodged, it is important to clearly state what obligation the security refers to. Single securities can be used only once, and will be returned/repaid to the guarantor once the obligation has been fulfilled.

Block security

For continuous activities, a block security may be used (see annex 2 for bank guarantees). Such a security applies both to current and to future activities, and can be charged and released several times.

A block security works like a bank account. The security is debited when used for an obligation, and credited when that obligation has been fulfilled. The company is responsible for making sure that all transactions are covered.

Group security

A variant of the block security is when a bank, a credit institute, an insurance company etc. becomes the guarantor of for instance a trade association or a company of a particular industrial branch. Such securities are referred to as group securities (annex 3), and if the association or the company so allows, the security can be used by other companies. The guarantor must, in writing, accept the arrangement of group securities.

When is a security released?

The Board of Agriculture will release the security when the exporter presents evidence that his obligations are fulfilled. Single securities in the form of cash are repaid, and guarantees returned, to the guarantor once the obligation has been fulfilled. Block securities are credited with the released amount.

What are the requirements for replacing the security?

A security may be replaced by another, provided that the new security covers all outstanding obligations. Replacement securities shall be accompanied by written instructions that clearly state which security is to be replaced.

Companies can change guarantors by annulling existing securities and lodging new ones in the name of the new guarantor. The new guarantor must cover all outstanding obligations.

What changes can be made to existing securities?

The following changes can be made to existing securities:

- increase or reduction of the security amount
- addition or removal of companies
- change from single to block security (cash securities only)

When changing a bank guarantee, annex 5 shall be used. Changes must be made by the guarantor and signed by authorized signatories. The registration certificate as well as the mandate for the authorized signatories shall be enclosed for the changes to be approved.

What is the procedure for forfeiture of securities?

A single security is wholly or partially forfeited if the company does not fulfil its obligations. If the security is a guarantee or a pledge, the company will be billed for the forfeited amount. Such a bill shall be paid within 30 days, or the Board of Agriculture will charge the guarantor the forfeited amount. Once the bill is paid, the guarantee or the pledge will be returned to the company.

As regards block securities, the amount related to a certain obligation will be forfeited. If the security is a guarantee or a pledge, a bill for the forfeited amount will be sent to the company. That bill shall be paid within 30 days, or the Board of Agriculture will charge the guarantor the forfeited amount.

If payment is not made on time, a penalty interest will be charged.

As regards forfeiture of securities in cash, the amount of security will be reduced by an amount equivalent to the forfeited amount.

When will the security be repaid?

A single security will be returned or repaid when the security is released or, in case of a forfeiture of a bank guarantee, when the bill for the forfeited security has been paid.

A block security will be returned to the guarantor as soon as the Board has received a written request for this.

Information

Each turn of the month, the Board of Agriculture sends a summary of the events (releases, forfeitures etc.) that have taken place with regard to the security during the past month.

Questions regarding securities may be addressed to the Finances Division at the Board of Agriculture:

Claes Johansson, tel +46 (0) 36 15 59 04

Jenny-Ann Fogelberg, tel +46 (0) 36 15 59 80

Guarantee (single security)

Commission Regulation (EEG) No 2220/85 of 22 July 1985 laying down common detailed rules for the application of the system of securities for agricultural products, establishes rules for the system of securities for agricultural products, rules to be applied in accordance with the various EU regulations stated there.

X, registration number, address shall lodge a security to the Swedish Board of Agriculture, in accordance with the regulation mentioned above, in order to fulfil the obligations with regard to

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|---|---|---------------------------------------|
| <input type="checkbox"/> import licence | <input type="checkbox"/> export licence | <input type="checkbox"/> intervention |
| <input type="checkbox"/> production/consumption aid | <input type="checkbox"/> other | |

for
(product/group of products)

We, the undersigned bank, therefore undertake, irrevocably and unconditionally, to pay the amount requested by the Board no later than 30 days after your demand has been put forward to us. It must be clear from the demand that the above company has not fulfilled its obligations with regard to the amount stated in the demand.

However, the bank may not as a result of this guarantee be liable to pay more than a total amount of SEK

The bank shall have the right to limit this undertaking by giving notice to the Board, in writing, that its undertaking may not be utilized for obligations arising after a certain date, such date to be set by the bank. This date may not fall earlier than on the 5th business day after the day the notice was received by the Board. After such date, the bank's obligation applies only to liabilities arisen before that date.

The bank's obligation expires as soon as the Board has informed the bank that all liabilities that are to be secured by this guarantee have been met.

Place, date
Name of the bank
Branch number
Address
Signature and name in block letters

551 82 Jönköping

General guarantee (block security)

X, registration number, address, shall on a running basis lodge securities to the Swedish Board of Agriculture in order to fulfil its obligations in accordance with the regulations stated in Commission Regulation (EEC) No 2220/85 of 22 July 1985 on common rules for the system of securities for agricultural products.

We, the undersigned bank, undertake, irrevocably and unconditionally and as a security for the above company's present and future liabilities in accordance with the above-mentioned rules, to pay the amount requested by the Board no later than 30 days after your demand has been put forward to us. It must be clear from the demand that the above company has not fulfilled its obligations with regard to the amount and the specifications stated in the demand.

However, the bank may not as a result of this guarantee be liable to pay more than a total amount of SEK

The bank shall have the right to limit this undertaking by giving notice to the Board, in writing, that its undertaking may not be utilized for obligations arising after a certain date, such date to be set by the bank. This date may not fall earlier than on the 5th business day after the day the notice was received by the Board. After such date the bank's obligation applies only to liabilities arisen before that date.

The bank's obligation expires as soon as the Board has informed the bank that all liabilities that are to be secured by this guarantee have been met.

Place, date

Name of the bank

Branch number

Address

Signature and name in block letters

551 82 Jönköping

“Group security” – supplement to already existing guarantees

We,, (company name and registration number), having instructed the bank mentioned below to issue the following guarantees, hereby confirm that these guarantees also may serve as securities for such corresponding obligations as are described in the respective guarantee and may arise in any of the companies listed below.

Guarantees

Guarantee number	Date of issuance	Maximum amount

Companies permitted to use the above guarantees

Company	Registration number

Place, date

.....
Signature and name in block letters

Address:
Telephone number:
Fax number:

We, the undersigned bank, that have issued the above guarantees, hereby confirm that the above listed guarantees may be used as securities for such corresponding obligations as are described in each guarantee that may arise in any of the above companies.

Place, date
Name of the bank
Branch number
Address
Signature and name in block letters

PLEDGE OF MONEY ON A BANK ACCOUNT TO THE BOARD OF AGRICULTURE

Single security, concerning a single obligation of the applicant

Pledge number (to be completed by the bank)

Block security, concerning current and future obligations of the applicant

Pledge, money on a bank account	Name and branch number of the bank	Account number
	Amount, SEK	
Applicant/Pledger	Company	Registration number
	Address (street, post box etc.)	City and postcode
Pledger (if other than the applicant)	Company	Registration number
	Address (street, post box etc.)	City and postcode
Pledge	<p>Commission Regulation (EEG) No 2220/85 of 22 July 1985 laying down common detailed rules for the application of the system of securities for agricultural products, establishes rules for the system of securities for agricultural products, rules to be applied in accordance with the various EU regulations stated there. The applicant/pledger shall lodge a security to the Swedish Board of Agriculture, in accordance with the regulation mentioned above, in order to fulfil the obligations with regard to</p> <p><input type="checkbox"/> import licence <input type="checkbox"/> export licence <input type="checkbox"/> intervention <input type="checkbox"/> production/ consumption aid <input type="checkbox"/> other</p> <p>regarding (product/group of products)</p> <p>The capital amount standing to the credit of the above-mentioned account is hereby pledged to the Board of Agriculture, 551 82 Jönköping, Sweden, as security for the applicant's above obligations.</p>	
How the pledge can be claimed	<p>The Board of Agriculture may withdraw the pledged amount by written notice to the bank mentioned above. The notice to the bank shall state that the applicant/pledger has not, to a specified amount, fulfilled an obligation covered by the security mentioned above. Based on this notice, the bank has the right to pay the amount requested by the Board.</p>	
Revoking the pledge	<p>The pledger may revoke this pledge by written notice to the Board of Agriculture and to the bank. The pledge will then not apply to obligations arising five or more business days after the day on which the notice reached the Board.</p>	
Signature by the applicant/pledger	City, date	Signature by the applicant/pledger
Signature by the bank	We have been notified of the contents of this pledge:	
	City, date	Signature by the bank

Change of guarantee number xxxxxx issued xxxx-xx-xx to the amount of SEK xxxx
regarding X, registration number.....address.....

Use one of the headings below depending on the change in question:

<ul style="list-style-type: none">• REDUCTION OF THE AMOUNT OF SECURITY The amount of security will be reduced by SEK xxxx from SEK xxxx to SEK xxxx• INCREASE IN THE AMOUNT OF SECURITY The amount of security will be increased by SEK xxxx from SEK xxxx to SEK xxxx• CHANGE OF COMPANIES COVERED BY THE GROUP SECURITY Company added on xxxx-xx-xx (date) Registration number xxxxxx Name nnnnnnn ----- Signature by the authorized signatory of the <i>main</i> company Company removed on xxxx-xx-xx (date) Registration number xxxxxx Name nnnnnnn ----- Signature by the authorized signatory of the <i>main</i> company
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The other conditions of the guarantee remain unchanged. This change is to be considered as part of the above guarantee.

Place, date
The name of the bank
Branch number
Address
Signature and name in block letters