

BILAG

7.

Ms. Katalin Baranyi and Mr. Herman J Berge
665, rue de Neudorf
L-2220 Luxembourg
Luxembourg

Phone : +352 43 12 65
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Francis Kessler
B.P. 186
L-4002 Esch-sur-Alzette

Luxembourg February 14 2011

Att : Kessler
Re : Danske Bank International S.A.
Case # :
Your reference :
Our reference : Your letter of January 25 2011
Posting by : Mail and fax
Your fax # : +352 54 33 51
Numbers of pages : 7
Attachment : 3 (3 p)
Copy :
Message :

We refer to our letters of January 27 and February 8 2011, and your response – the phone conversation on February 9 2011. As you are in the line of facing liability claims we urge you to read this letter in full.

First of all: In this phone conversation you described your office as a *public office*, nevertheless you refuse to grant us access to the documents the bank has provided you with, the documents of which you intend to build your future forced sale of our house on. What kind of public office are you running, deliberately concealing documents of which we – in any other democracies – are entitled to get access to and contradict in order to protect our rights? The total absence of transparency in legal matters in Luxembourg – of which your administration of this matter is a splendid demonstration of – leaves this disabled system wide open to corruption.

Anyhow, as a jurist, you should know that to enforce a clause in a contract you need proof that the conditions for such enforcement are met. In this certain matter the bank should have provided you with evidence of breach of contract, i.e. that we are in default. In the aforementioned phone conversation you told Mr. Berge that the bank had only provided you with the Mortgage Deed, which obviously is not sufficient to assess whether there is a breach of contract or not. As far as we understand, you don't even know what contract we are in breach of. It thus seems that you just intend to obey whatever this Alex Schmitt is instructing you to do, regardless of the legality.

* * *

In 2006 we decided to move to Luxembourg, buy a house here and settle down. To make it short, the bank was eager to help and promised to provide us with a 100% mortgage, thus the financing of the house loan was settled. As the notary requested a proof of economic means to pay the house which we had contracted, the bank provided the

broker with a letter confirming that we were granted a loan on the total price of the house, i.e. € 695.000. The broker then forwarded this letter to the requesting notary, Mr. Camille Mines. Please find this conclusive evidence enclosed here as **Exhibit # 1**.

Notary Mines was thus notified, at the latest on October 7 2006, that the bank had granted us a house loan on the total amount.

You should know that this bank's intention, since the very start of our relationship with it, was to defraud us. As a result of the bank's deceptive conduct we obviously came to trust them and even thought that we were given special treatment. The fact that the bank invited us for a number of classy lunches at their premises as well as at Grand Hotel in Oslo, Norway, and made statements as: "*you are such a good customer so we will not charge you for this transaction,*" made us relax and believe in what later on turned out to be a deception, which obviously was in line with the bank's fraudulent intentions.

As mentioned we asked for and we thought that the bank had granted us a house loan on especially good terms (interest 1 % below the market, installments once a year (only interest paid the first few years), which is the reason why we didn't pay particular attention to the heading of this house loan: "Multipurpose Line Agreement" (MLA). Then again the MLA clearly stated in its preamble that the *sole* purpose of it was to buy a house. Please find enclosed the first page of this MLA as **Exhibit # 2**.

As late as in September 2008 we had no reason not to believe that our loan with the bank was a house loan. This is demonstrated by our wealth manager Anne Kaupang Leighton's statement during a classy lunch at the bank's premises on September 29 2008:

2:47:51

Kaupang Leighton (AKL): *But, do you have, may I ask you, do you have other houses (estates)? Do you own a house in Norway?*

Baranyi (KB): *No.*

AKL: *Then you are also entitled to a so called apocasiodan teres???*

Berge (HJB): *What does that mean?*

AKL: *It is help in regards to payments of interest on loan?*

HJB: *Why are we entitled to this?*

AKL: *Because, if you only own one house, and you have a **house loan**, then you get a deduction on, I wonder if it is the first € 2 - 300.000 for every child you have together...You get child benefits which is so and so many euro for each child, and then you get this deduction on the interest on loan, which also depends on how many children you have. We are not talking about big amounts here. I mean, I get, with my two children I get something around 170 Euro, but it helps on the loan every month as they transfer this into the account.¹*

Note that the bank's wealth manager concludes that we are entitled of this benefit. Kaupang Leighton and the bank is by this conclusion obviously of the opinion that we have a house loan, or at least the bank yet again attempts to make us believe in this.

In the aftermath of this fraud, the bank seems to state that we have signed on an investment scheme blowing off the entire value of the house, and that we thus did not

¹ Translated from Norwegian.

have a house loan. Even the CSSF, the Luxembourg protector of financial crimes, is of the opinion – despite all the conclusive evidence on the contrary – that we have not been granted a house loan.

This then proves that; 1) the bank manipulated us to believe, and we consequently thought, that the bank had granted us a house loan, and 2) that the bank deliberately misled us to sign on a criminal investment scheme, similar to the numerous criminal investment schemes that this bank subsequently has "pushed" on retired northern Europeans with unencumbered properties in Spain. You should know that these pensioners are now facing foreclosures due to the bank's fraud against them.

Another consequence of this MLA is that it *prevents* the bank and us from utilizing the MLA on anything else but "*acquisition of real estate*", i.e. buying a house. The bank has nevertheless wilfully – and in violation with its own MLA – drained us of all our savings and placed these savings in criminal financial schemes like the Madoff's / Lehman Brothers' Ponzi-Schemes.

When we attended the meeting at notary Camille Mines' office on January 15 2007, we thought that we were to hand over the check, sign a notary deed and finalize the take-over. The meeting though seems to have ended up with us signing on a mortgage deed which sole purpose – we were explained – was to guarantee the due payment on the house loan, nothing else.

As agreed upon on June 27 2003 all documents the bank produces for the purpose of our attention are to be authored in English. Please find the said document enclosed to this letter as **Exhibit # 3**.

The mortgage deed, which we saw for the first time on January 15 2007, is – in violation with the said agreement of June 27 2003 – written in German. Even though we informed notary Mines that we couldn't read this document as we didn't read or talk the German language, notary Mines did not stop the process demanding the bank to furnish us with an authorised English print. On the contrary he did what – according to you – is common practice among Luxembourg notaries: He tried to bend and get around the law by "*explaining*" the content of this document in English.

His "explanation", for whatever that is worth in the light of the MIFID-Directive, did not alert us that this was anything more than a standard mortgage document. But even if we had been alerted that this was something else, we had no alternatives but signing it, as we already had paid some € 100.000 upfront, and as the seller was entitled to make a forced sale of the house if we for any reason did not pay the remaining amount on that day. We were thus placed under duress by the bank as the latter failed to 1) provide us with the German document in due time before January 15 2007, and 2) inform us, at all, about its content.

A mortgage deed is a financial instrument. In this regard let us then remind you of the Commission Directive 2006/73/EC Articles 29 and 30 implementing Article 19 (3) of Directive 2004/39/EC, clearly stating that any relevant information is to be provided;

"...in a comprehensible form... so that they (clients or potential clients) are reasonably able to understand the nature and risks of the investment service and of the specific type of financial instrument that is being offered and, consequently, to take investment decisions on an informed basis."

We trusted the bank and we had no reason not to trust notary Mines. Nevertheless we were deliberately deceived by both.

You surely do understand that we were not given the slightest chance to take a sound investment decision on January 15 2007 as we actually were not able to understand the nature and risks of the financial instrument (mortgage deed) offered. As a matter of fact we know today that we had no idea of what we were signing on, on that day.

The fact that our signatures appears on a document we obviously didn't (and still don't) understand the content of, will automatically render the document null and void, hence the document is of no legal value, lacking any form of legal force.


As should be clear by now the bank has deceived and defrauded us and Mr. Mines did, at best, nothing to stop this fraud.

Finally we would like you to pay some attention to the fact that we on October 17 2006 declared to notary Mines that we would stay in our house and thus keep it for at least five years. This declaration was signed in order to be reimbursed the registration fee/tax of more than €40.000. We believe that this governmental arrangement of reimbursing the registration tax had a two-sided motive; making it more attractive for foreigners to settle down in Luxembourg and at the same time preventing foreigners from speculating in Luxembourg private properties. So, if we had – like the bank claims – knowingly placed/invested the total value of our house (and our entire savings) into the bank's rotten funds and Ponzi-schemes, and thus jeopardizing our livelihood and the existence of our family, then we would obviously have been lying to the notary when signing this declaration. Lying to a public officer in order to benefit from public grants and its like is a serious criminal offence.

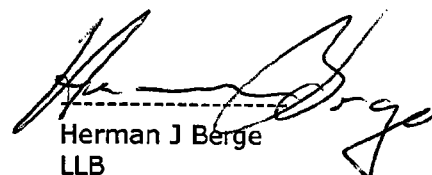
The notary should have noticed, at the latest on January 15 2007, that this declaration – in the light of the "mortgage deed" of January 15 2007 – stood a great chance of being violated within a few months as it depended fully on the crooks of which hands the bank had secretly thrown our savings into, hence the notary is an accomplice to defrauding the government as he would have understood that this "plan" of moving/transforming our cash into a property in Luxembourg obviously was made for convenience purposes only, practically "securing" the cash from being transferred out of Luxembourg,² and to achieve this; using the unlawful collection of the reimbursement of registration tax as a bait.

The bank's motive was to use the value of the house, instead of our cash, for speculation purposes, and at the same time preventing us from moving our savings to another bank. Consequently the mortgage deed signed on January 15 2007 is contradictory to the deed signed on October 17 2006. In other words; Notary Mines knew that our declaration was worthless and that this new document presented on January 15 2007 was part of some sort of a financial scheme. Mines was obliged to inform us, but abstained from acting.

Having said this we urge you to refrain from any actions originating from instructions from the bank in question or from its legal representatives. Should you nevertheless carry out what you implied in the aforementioned phone conversation, this would then constitute complicity to crime which will be pursued vigorously.


Katalin Baranyi
PhD Scolar

Luxembourg February 14 2011


Herman J Berge
LLB

² It was of great importance for the bank to conceal for as long as possible the extensive churning of our account and the fact that all our savings had already been exposed to numerous criminal actions and was now funnelled into the bank's rotten funds and Ponzi-schemes where the point of no return had been passed long time ago.

EX. # 1.

Danske Bank

MOTTATT
09 FEB. 2010

Hoffmann
Toutes Opérations Immobilières
B.P. 1
L-7505 Lintgen

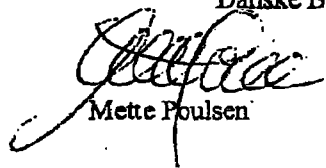
Danske Bank International
2, rue du Fossé
P.O. Box 173
L-2011 Luxembourg
Telephone +352 46 12 751
Telefax +352 47 30 78
S.W.I.F.T. DABA LU LL
www.danskebank.lu
5 October 2006

Herman Berge & Katalin Baranyi

Dear Sir,

We are pleased to inform you that we have granted a loan of EUR 695,000 to Herman Berge & Katalin Baranyi in connection with their purchase of the property situated 665, Rue de Neudorf.

Yours faithfully,
Danske Bank International


Mette Poulsen


Morten Berg Jensen

DE01.015 2000.09

EX. #2.

Danske Bank

MULTIPURPOSE LINE AGREEMENT INCLUDING MORTGAGE
cr9946 -16 October 2006

BETWEEN

Danske Bank International S.A., established and having its registered office at 2, rue du Fossé, P.O. Box 173.
L-2011 Luxembourg,

hereinafter, the "Bank"

AND

Mr Herman Berge and Mrs Katalin Baranyi
Doktor Holmsvei 17D
N-0787 Oslo
Norway

hereinafter, the "Borrower"

! { The Bank hereby places at the disposal of the Borrower a **Multipurpose Line** (hereinafter referred to as the "Facility") for the purpose of acquisition of real estate on the following terms and conditions:

1. **Amount**

EUR 1,000,000.- (say Onemillion Euro).

2. **Availability**

The Facility is established until **15 October 2016** unless previously terminated (see **Clause 7, 2nd paragraph**). Drawdown under the Facility is conditional upon, among other things, the receipt of this document by the Bank on or before **15 November 2006**, duly executed by the Borrower together with all other documents as requested by the Bank, the form and content of which are satisfactory to the Bank.

The Facility will be available as follows:

- i For the drawdown of term loans in EUR or the equivalent in another Eligible Currency as defined in **Appendix I**, for periods as determined by the Borrower, maximum term being 60 months (each referred to as a "Loan Advance").

EX. # 3.

The client(s) undertake(s) to inform the Bank forthwith in writing of any change in his/their identification elements.

Authority

- Individual Account
- Joint Account => the agreement of one Holder suffices to effect transactions
- Collective Account => no transaction may be made without the consent of all Holders

Instructions

I am/We are aware of the fact that, in order to secure evidence of my/our telephone instructions and to avoid misunderstandings, the Bank may want to record an instruction on tape, and I/we expressly authorise and give the Bank my/our consent to do so.

Correspondence

All correspondence should be sent to the following address (if different from address on page 1)

All correspondence should be kept for the account of the client(s) at the Bank. The Bank may destroy withheld mail after a period of two years or upon termination of the account relationship.

Time periods for dispatch of account statement, cf. price list "Fees"

- weekly bi-weekly monthly quarterly half-yearly yearly

Language of correspondence

- Danish English German

Emergency contact address:

I/We authorise the Bank, until notice to the contrary is given in writing, to act on all instructions received from me/us in writing, by fax or by telephone with regard to dispositions on the accounts mentioned above. Written or fax instructions must show my/our signature(s).

I/We confirm having received a copy of the Bank's "General Terms and Conditions".

Place and date: OSLO 27th 2003 Signature(s): *[Signature]* *[Signature]*

(Client(s))