

Guarantee Fund

Annual report 2004

The financial year began on January 1, 2004 and ended on December 31, 2004.

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The Guarantee Fund has prepared the annual report for 2004 (pages 1 to 29), which comprises the management report, the financial statements and the auditor's report.

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Management report

The Legal Status and Objectives of the Guarantee Fund

The Guarantee Fund (hereinafter referred to as "Fund") is a lawfully founded legal person in public law that was formed on 1 July 2002 in the place of the Deposit Guarantee Fund, which had operated since 1998. The Guarantee Fund Act that entered into force on 1 July 2002 provides for the objective, the legal status and the basis and procedure for the activities of the Guarantee Fund.

The objective of the Fund is to guarantee protection of funds deposited by clients of credit and investment institutions and unit-holders of mandatory pension funds, and thereby to increase the reliability and stability of the financial sector. The activities of the Guarantee Fund have been directed towards the establishment and operation of mechanisms of administering guarantee schemes of the integrated and effective financial sector, which allows the risks of the state to be significantly decreased upon guaranteeing the indirect liabilities in the financial sector as well as the risks of the small depositors and small investors. Therefore, the Guarantee Fund manages three guarantee schemes, sectoral funds – the Deposit Guarantee Sectoral Fund, Investor Protection Sectoral Fund and Pension Protection Sectoral Fund. The Guarantee Fund operates pursuant to the requirements concerning the schemes of compensating the deposits and investments arising from the directives of the European Union.

In order to achieve its objectives, the Fund:

1. Collects single and quarterly contributions from the fund participants;
2. Compensates, under the conditions, to the extent and in accordance with the procedure laid down in the Guarantee Fund Act, for the deposits and investments placed with the fund participants as well as for any damage caused by the fund participants to the unit- holders of mandatory pension funds;
3. Performs other tasks arising from the Guarantee Fund Act.

Management and Personnel of the Fund

The highest directing body of the Fund is the Supervisory Board of the Fund. The Supervisory Board consists of eight members who have been appointed by the *Riigikogu* (the Parliament of the Republic of Estonia), the Government of the Republic, the President of the Eesti Pank (the central bank of Estonia), the Financial Supervision Authority, the Estonian Banking Association and by the organisations representing the investment institutions and pension management companies. The term of authority of the Supervisory Board of the Guarantee Fund is four years, which started in September 2002. The members of the Supervisory Board were changed once during 2004. Loit Linnupõld resigned on his own initiative and instead of him Kristel Kivinurm-Priisalm was appointed as a member of the Supervisory Board of the Guarantee Fund jointly by the Estonian Banking Association and Estonian Association of Managing Companies representing investment institutions.

The Fund shall be managed and represented by the Director, who is subordinate and reports to the Supervisory Board. The term of authority of the Director is three years, which started in October 2002.

During 2004 four meetings of the Supervisory Board of the Guarantee Fund were held. The significant items of the meetings included the evaluation of the suitability of rates of quarterly contribution of sectoral funds and the establishment of new rates as well as

the approval of the general principles and restrictions of investment of assets of the Fund. In addition, the Supervisory Board has discussed the issues concerning the everyday activities of the Fund, in connection with which decisions have been made, such as the approval of the budget and the annual report, the appointment of an auditor, the election of the asset manager of the Fund and the joining with the European Forum of Deposit Insurers (EFDI). The Director shall present a report of the economic results of the Fund to the Supervisory Board every quarter. In 2004 the Supervisory Board of the Fund made a proposal for amendment of the statutes to the Government of the Republic through the Minister of Finance derived from the fact that the Guarantee Fund began to guarantee the deposits in the Estonian branch of a credit institution of a state which is Contracting Party to the European Economic Area Agreement as of Estonia's accession to the European Union. According to the proposals of the Supervisory Board of the Fund the Government of the Republic amended the statutes of the Fund by its regulation dated on June 17, 2004.

During the accounting period the Fund employed, in addition to the Fund's Director, two members of staff. The Fund's Supervisory Board comprised eight members. The compensation of employees, amounted to 1 135 429 kroons in 2004, where the remuneration of the Director of the Guarantee Fund was 494 941 kroons and the remuneration of the Members of the Supervisory Board was 206 884 kroons.

Maximum amounts of compensation for guaranteed deposits and investments and for damage caused to the unit-holders of mandatory pension funds

According to the EU Directives both deposits and investments must be guaranteed at least in the amount of 20 000 euros. Likewise, the Guarantee Fund Act sets out that the maximum level of compensation for guaranteed deposits and investments is 20 000 euros or 313 000 Estonian kroons, which is to be attained by December 31, 2007 at the latest, in accordance with the following schedule:

Period	Maximum amounts of compensation for guaranteed deposits and investments
From December 31, 2003 ¹	100 000 kroons
From December 31, 2005	200 000 kroons
From December 31, 2007 at the latest	313 000 kroons

This transitional period was also agreed in the framework of accession negotiations held with the EU and it corresponds to the schedule and maximum amounts established by the Fund's Supervisory Board in September 2001 with regard to deposits.

According to the Guarantee Fund Act, the damage to be compensated from the Pension Protection Sectoral Fund in the amount of up to 10 000 euros or 156 466 Estonian kroons per a particular loss event shall be compensated for in full to the unit-holder. Any damage exceeding 10 000 euros per a particular loss event of a unit-holder shall be compensated for to the extent of 90 %.

¹ According to the Deposit Guarantee Fund Act, the maximum level of 20 000 kroons of the compensation for guaranteed deposits became applicable from October 1, 1998. As from January 1, 2000 the Fund's Supervisory Board set the maximum level of compensation for guaranteed deposits at 40 000 kroons.

Compensation for deposits

For the customers of EVEA Pank and ERA Pank the term for payment of compensation laid down by the Deposit Guarantee Fund Act expired in 1999. The unpaid compensation has been deposited with Hansapank and Ühispank. The deposits of the customers of EVEA Pank and ERA Pank were guaranteed in the amount of 20 000 kroons. According to the law the depositor must file a claim against the Fund within a period of 10 years in order to receive the unpaid compensation.²

EVEA Pank	Number of depositors	Percentage	Amount (kroon in millions)	Percentage
Granted compensations	15,496	100,0%	97,5	100,0%
Compensation paid out	11,170	72,1%	96,1	98,6%
Unpaid compensations	4,326	27,9%	1,4	1,4%

ERA Pank	Number of depositors	Percentage	Amount (kroon in millions)	Percentage
Granted compensations	8,464	100,0%	37,1	100,0%
Compensation paid out	4,900	57,9%	35,9	96,8%
Unpaid compensations	3,564	42,1%	1,2	3,2%

Since 1998 the Fund has paid altogether 132,0 million kroons of compensation to customers of EVEA Pank and customers of ERA Pank or 98,1% of the total amount of deposits to be compensated.

The satisfaction of claims continued during the accounting period and a total of 25,3 thousand kroons was paid to 9 depositors. Compared to previous years the compensations paid out have decreased in certain extent due to the lack of interest of entitled persons holding smaller deposits. At the end of the accounting period the unpaid compensations amounted to 2,6 million kroons or 1,9% of the total amount of deposits to be compensated as determined in 1998.

The Fund's activity in bankruptcy proceedings

The Fund has the right to claim from EVEA Pank (bankrupt) and ERA Pank (bankrupt) the compensation paid to depositors. As a major creditor, the Fund has been actively involved in the bankruptcy proceedings of both banks.

The Fund has co-operated successfully with the Ministry of Finance, Eesti Pank, the Financial Supervision Authority and bankruptcy committees for the purpose of improving the efficiency of bankruptcy proceedings and, first of all, protecting creditors' interests. The amendment to the Bankruptcy Act made in 2000, which allows payments to creditors from the bankruptcy estate before the end of all legal disputes, has been applied effectively.

In March 2004 the Fund has been refunded 8,8 million kroons by the EVEA Pank (bankrupt) on the basis of the third distribution ratio. In the framework of the bankruptcy proceedings of EVEA Pank the Fund has been refunded a total of 72,7 million kroons or 74% of the initial amount of the claim from 2000 to 2004. The final

² The Guarantee Fund Act provides that a 5-year period for the filing of claims against the Fund applies to depositors and investors and the unit-holders of mandatory pension funds. This period does not extend retroactively to the depositors of EVEA Pank (bankrupt) and ERA Pank (bankrupt).

report of the bankruptcy proceedings of EVEA Pank will be submitted to the court during 2005.

In August 2002 the only payments were made to the creditors of ERA Pank in accordance with the distribution proposal when the Fund received 14,5 million kroons, which equals 38,4 % of the original amount of the claim. In November 2004 the court authorised the final report of the bankruptcy proceedings of ERA Pank, which entered into force on January 2005. The trustees in bankruptcy continue to fulfil their tasks in connection with the unsolved bankruptcy proceedings where the ERA Pank (bankrupt) proved as a creditor.

At the end of 2004 the Fund's claims against EVEA Pank and ERA Pank in the context of the bankruptcy proceedings amounted to 25,6 and 23,2 million kroons respectively.

Collection of contributions from fund participants

In order to achieve its objective, the Fund collects single and quarterly contributions from credit institutions, investment institutions and management companies of mandatory pension funds or fund participants. The quarterly contributions are calculated on the basis of guaranteed deposits, different investment services and the net asset values of the pension funds.

From the contributions received by it the Guarantee Fund forms the following pools of assets – sectoral funds: 1) the Deposit Guarantee Sectoral Fund; 2) the Investor Protection Sectoral Fund; and 3) the Pension Protection Sectoral Fund. These sectoral funds serve the purpose of guaranteeing and compensating for the deposits of depositors, the investments of investors and the damage caused to the unit-holders of mandatory pension funds.

The following table provides an overview of the receipt of the contributions to the sectoral funds in the years 2004 and 2003, and of the number of fund participants:

Sectoral funds	Number of fund participants at the end of 2004	millions of kroons	
		2004	2003
Deposit Guarantee Sectoral Fund	6 credit institutions	120,5	127,2
Investor Protection Sectoral Fund	6 credit institutions 5 investment institutions 7 fund management companies	0,8	0,3
Pension Protection Sectoral Fund	6 pension management companies	0,7	0,4
Total	30	122,0	127,9

Compared to 2003, the quarterly contributions to the Deposit Guarantee Sectoral Fund in 2004 were 5,3% lower, which has been caused by using of the reduced rate of quarterly contribution of the sectoral fund during the whole year unlike in 2003 where the same rate was used only during last three quarters beginning from the 2nd quarter of 2003. The quarterly contributions to the Investor Protection Sectoral Fund and Pension Protection Sectoral Fund have increased in 2004 despite of the reduction of the rate of quarterly contributions of both sectoral funds. In the case of the Investor Protection Sectoral Fund it has been caused by the increase of the volume of the investment services ca 4,7 times primarily from investment services provided for the investors who are legal persons in additions to the investment services to the investors who are private persons. In the case of the Pension Protection Sectoral Fund it has been caused by

increase of the net asset value of pension funds more than twice derived from the active subscription to the mandatory pension funds.

Establishment of the rates of quarterly contributions to sectoral funds

The Guarantee Fund Act provides for the maximum rates of quarterly contribution of the sectoral funds and grants the Supervisory Board of the Fund the right to establish new rates for the contributions, if necessary, taking into account primarily the market situation of the financial sector, the objective regarding the volume of the sectoral fund and compensation limits provided for in the Guarantee Fund Act. The rates of the contributions shall be annually reviewed by the Supervisory Board of the Fund.

The rates of quarterly contributions payable to sectoral funds by the fund participants have been established by the Supervisory Board of the Fund as follows:

Year	Deposit Guarantee Sectoral Fund	Investor Protection Sectoral Fund			Pension Protection Sectoral Fund
		Brokerage services	Securities portfolio management	Safekeeping of securities	
<i>Maximum limits of rates³</i>	<i>0,125%</i>	<i>0,1%</i>	<i>0,075%</i>	<i>0,01%</i>	<i>0,1%</i>
2002	0,1%	0,05%	0,02%	0,005%	0,02%
2003	0,07%	0,05%	0,02%	0,005%	0,02%
2004	0,07%	0,025%	0,01%	0,0025%	0,01%
2005	0,07%	0,020%	0,008%	0,0020%	0,01%

Pursuant to the Guarantee Fund Act the rate of 0,1% of the quarterly contribution payable to the Deposit Guarantee Sectoral Fund was effective until 1 January 2003. In November 2002 the Supervisory Board of the Fund introduced a new rate of the quarterly contribution payable to the Deposit Guarantee Sectoral Fund effective from the second quarter of 2003, which is 0,07% of the guaranteed deposits. Upon the regular review of the rate of the quarterly contribution in November 2003 and also December 2004 the Supervisory Board of the Fund decided to leave the rate of contribution unchanged, following the need to achieve the objective regarding the volume of the sectoral fund by the end of the transitional period, i.e. the end of 2007.

In October 2002 the Supervisory Board of the Fund established the following rates of the quarterly contribution to the Investor Protection Sectoral Fund's different volumes of investment services:

- 1) 0,05% of the average turnover of the last 10 working days of the quarter preceding the payment of the quarterly contribution for securities sales and purchase transactions;
- 2) 0,02% of the average market value of the securities portfolio managed by the investment institution during the quarter preceding the payment of the quarterly contribution;
- 3) 0,005% of the average market value of securities held by the investment institution during the quarter preceding the payment of the quarterly contribution.

In November 2003 the Supervisory Board of the Fund decided to reduce the rates of the quarterly contribution on various investment services payable to the Investor Protection Sectoral Fund twice and to apply new rates from the second quarter of 2004. In December 2004 the Supervisory Board of the Fund decided to reduce the established

³ Maximum limits of rates established in the Guarantee Fund Act.

rates of the quarterly contribution by 20% more and to apply new rates from the second quarter of 2005. Upon adopting this resolution, the Supervisory Board of the Fund took primarily into account the reduction of the burden of payments of the investment institutions, because according to the Guarantee Fund Act from the second quarter of 2004 the Fund also guarantees the investments made by investors who are legal persons, in addition to investments made by investors who are private persons, which significantly increases the volume of investment services, on the basis of which the contributions are calculated. Upon establishing the rates of the quarterly contribution, the Supervisory Board of the Fund considered the need to achieve the objective regarding the volume of the sectoral fund provided for in the Guarantee Fund Act by the end of the transitional period, i.e. the end of 2007.

The Guarantee Fund Act provides that until January 1, 2004 the rate of the quarterly contribution to the Pension Protection Sectoral Fund shall be 0,02 % of the net asset value of all mandatory pension funds managed by a pension management company. In November 2003 the Supervisory Board of the Fund decided to reduce the rate of the quarterly contribution payable to the Pension Protection Sectoral Fund and apply it from the second quarter of 2004, taking primarily into account the retention of the burden of payment of pension management companies considering the forecast of large volume and quick increase of the assets of pension funds within the following years. Upon the regular review of the rate of the quarterly contribution in December 2004 the Supervisory Board of the Fund decided to leave the rate of contribution unchanged, taking into account the growth rate of the Pension Protection Sectoral Fund and the terms of compensation scheme for any damage caused by a pension management company to unit holders prescribed by the Guarantee Fund Act.

Results of the Fund's operations and investment of its assets

The net result on the economic activities of the Fund in the years 2004 and 2003 was as follows:

	millions of kroons		
	2004	2003	Change
Contributions from fund participants	122,0	127,9	-5,9
Compensations paid to depositors	-	-0,3	0,3
Receipts on the basis of the right of claim	8,8	-	8,8
Financial income/ expenses	10,1	-8,9	19,0
Administrative expenses	-1,8	-1,8	0,0
Net result of the Fund	139,1	116,9	22,2

In 2004 the Fund's net operating result was 139,1 million kroons, which is somewhat greater than 22,2 million kroons in 2003. The main reason was an increase in the return on the investments of the Fund's assets and 8,8 million kroons accrued from ERA Pank (in bankruptcy) on the basis of right of claim. The net result has been decreased by smaller quarterly contributions of the fund participants to the sectoral funds. The reason for the decrease of the quarterly contributions of the fund participants was the reduction of the rate of the quarterly contribution payable to the Deposit Guarantee Sectoral Fund from the second quarter of 2003 which has been used during the whole year of 2004 unlike in 2003. The increase in investment results was mainly caused by amendment the general principles and restrictions of the investment of the assets of the Fund according to which the assets were invested only in euro area bonds with high investment rating and the currency structure of the assets was brought into accordance with the currency

structure of deposits compensated in case of need by the Fund using the derivative financial instruments. These amendments corresponded in a more adequate way to potential liabilities of the Fund derived from the Guarantee Fund Act compared to the previous requirements that the Fund's assets must correspond to the guaranteed deposits and diminished the dependence of Fund's assets from the US dollar exchange rate changes against euro.

For investment purposes the Fund has opened a securities account and a current account in State Street Bank.⁴ In terms of an agreement, Eesti Pank invests the Fund's assets in accordance with the applicable restrictions concerning the investment of the Fund's assets. Taking into account the results of election of the asset manager the Supervisory Board of the Fund decided to use the services of Eesti Pank for investment of its assets. On June 10, 2004 the agreement between the Fund and Eesti Pank regarding the investment of the Fund's assets was modified in part and extended by one year.

Upon investing assets of the Fund the objective of achieving the best possible profitability within the framework of maintenance of the value of the assets as well as the liquidity and established restrictions of the assets is followed. The main risks related to the investment of the assets of the Fund are the interest, credit, currency and liquidity risks.

The investment of the assets of the Fund and the management of the financial risks have been carried out according to the basis arising from the Guarantee Fund Act and pursuant to the general principles of investment of assets, restrictions on the investments and procedure for reporting approved by the Supervisory Board.

The Fund's assets have been invested mainly in short-term bonds of the governments of euro area leading industrial countries, financial institutions and companies, whereby the government and non-government issuers are required to have a minimum long-term credit rating of (AA/Aa2) and (AAA/Aaa) respectively as determined by international rating agencies (S & P, Moody's), and in deposits. The percentage of one issuer in the investment portfolio shall not exceed 35%. In the light of the high liquidity requirement derived from the short time limits for the payment of compensation, the maximum average duration of the Fund's investment portfolio is set at 0.25 years. The currency structure of the Fund's assets corresponds to the currency structure of deposits compensated in case of need and is ensured by derivative financial instruments. As of the end of 2004 the Fund's assets were invested in financial instruments denominated in euro 100% of which 7 % was covered by foreign exchange swap transactions (US dollar/euro) for ensuring the currency structure of Fund's assets.

⁴ In November 2002 State Street Corporation and Deutsche Bank signed an agreement for the sale of a substantial part of the global securities services business of Deutsche Bank. The transfer of the provision of securities services business to State Street Corporation was completed on January 31, 2003. The current agreement with Deutsche Bank was novated to State Street Corporation in June 2004.

The following table provides an overview of the investment result of the Fund:

millions of kroons		
Investments as at 31 December	2004	2003
Investments in market value	848,4	708,4
Net investment income/expenses	10,1	-8,9
<i>Interest income</i>	<i>16,1</i>	<i>14,2</i>
<i>Loss from USD exchange rate changes</i>	<i>-5,2</i>	<i>-22,4</i>
<i>Service fees</i>	<i>-0,8</i>	<i>-0,7</i>
Rate of interest return of investments (per annum)	2,07%	2,20%
Foreign exchange structure of investments		
<i>EUR</i>	<i>93,0%</i>	<i>85,1%</i>
<i>USD</i>	<i>7,0%</i>	<i>14,9%</i>
	At the end of 2004	At the end of 2003
Notes		
Currency structure of deposits guaranteed		
<i>EUR/EEK</i>	<i>91,1% / 84,7%</i>	<i>93,1% / 83,4%</i>
<i>USD</i>	<i>8,9% / 13,6%</i>	<i>6,9% / 15,0%</i>
<i>Other currencies</i>	<i>0,0% / 1,7%</i>	<i>0,0% / 1,6%</i>
USD exchange rate against Estonian kroon	11,4711	12,4096

Compared to 2003, the investment result of the Fund increased mainly due to the implementation of investment principle according to which the currency structure of the Fund's assets shall correspond to the currency structure of deposits compensated in case of need. In accordance with this principle the percentage of US dollar in the Fund's assets was adjusted to the level which characterised in a more adequate way the potential liabilities of the Fund compared to the currency structure of guaranteed deposits. The weakening of US dollar against the euro was substantially lesser respectively 16,9% in 2003 and 7,6% in 2004. The decline nor increase of the investment results of the Fund arising from the exchange rate changes of the US dollar does not influence the amount of the assets of the Fund in relation to its potential liabilities or the ability of the Fund to achieve its objective upon guaranteeing the deposits and investments nominated in the US dollar or any other currencies, since proportionally the same changes have also occurred in the positions of the US dollar or any other currencies of the guaranteed deposits and investments.

Informing the public about the Fund's activities

From 2000 the Fund has had its Internet web site <http://www.tf.ee>. The site provides an overview of the Fund's policies, the legislation underlying the Fund's operation, the Fund's economic activities and compensation arrangements for deposits, investments and damages caused to the unit-holders of mandatory pension funds. Furthermore, the web site gives information on the deposit guarantee schemes of other countries. In summer 2003 the set-up and visual design of the web page of the Fund was changed, taking into account the user-friendliness that provides the public with better opportunities to follow the activities of the Fund. The changes introduced in case of the set-up of the web page also enable the Fund itself to manage the web page more comfortably and inexpensively, and to expand or remodel it in the future more easily.

The Fund has, on a regular basis, informed the depositors through the media about the deposit guarantee scheme and the compensation awaiting disbursement. In earlier years the Fund has published an information folder for Estonian-speaking and Russian-speaking depositors. In agreement with the banks this information folder has been made available to the clients at bank offices.

International co-operation

In September 2004 the Guarantee Fund joined the European Forum of Deposit Insurers (EFDI). EFDI was established in Vienna on October 11, 2002. EFDI is a voluntary association of deposit insurers to promote the exchange of ideas and experiences of deposit protection in Europe. EFDI is established with the aim of contributing to the stability of financial systems by promoting European co-operation in the field of deposit insurance of different countries. All the EFDI members are following the EU Directive on deposit guarantee schemes.

EFDI as an organisation and its members are involved as experts in the Banking Advisory Committee's working group on deposit guarantee schemes and preparation for a review of the Directive 94/19EC and its further amendments. Contacts between the deposit insurance schemes of the EFDI member states are increased in frequency and preparations have been made for concluding bilateral agreements on co-operation which are connected with Estonia's accession to the European Union on May 2004 when the Guarantee Fund began to guarantee the deposits and investments in the Estonian branch of a credit and investment institution of a state which is a Contracting Party to the European Economic Area Agreement.

Main objectives for 2005

Each year the Fund analyses the appropriateness of the rates of quarterly contributions and, where necessary, sets new rates in view of the structure of the financial sector, the volume of deposits, investments and mandatory pension funds, and the maximum amounts of compensation for guaranteed deposits and investments and for damages caused to the unit-holders of pension funds.

The Fund will continue with the preparation of the code of practice governing the process of compensating for deposits and investments and for damages caused to the unit-holders of pension funds, in order to ensure expeditious and timely payment of compensations in accordance with the requirements and co-operation and information exchange with other institutions involved in the compensation process.

Investment of the Fund's assets will continue on the basis of the agreement between the Fund and Eesti Pank.

The Fund pays compensation to those depositors of EVEA Pank and ERA Pank who have claimed the payment of unpaid compensation. As one of the major creditors, the Fund will remain actively involved in the bankruptcy proceedings of EVEA Pank and ERA Pank.

Furthermore, the Fund will continue co-operation with the Ministry of Finance, Eesti Pank, the Financial Supervision Authority and the Banking Association in the area of implementing the Guarantee Fund Act.

Fund is participating in the activities of EFDI and Banking Advisory Committee's working group on deposit guarantee schemes and preparation for a review of the Directive 94/19EC and its further amendments as an expert with the representatives of Eesti Pank and Ministry of Finance.

Financial statements

Statement of the Director

The Director acknowledges his responsibility for the preparation and accuracy of the financial statements of the Guarantee Fund for 2004 as set out on pages 12 to 27 and confirms that to the best of his knowledge:

- the accounting policies applied in the preparation of the financial statements are in accordance with the accounting principles generally accepted in Estonia;
- the financial statements give a true and fair view of the financial position, the operating result and the cash-flows of the Guarantee Fund;
- all significant events that occurred until the date on which the financial statements, were authorised for issue i.e. February 21, 2005, have been properly recognised and disclosed;
- the Guarantee Fund as a legal person in public law is a going concern.

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Andres Penjam
Director

Balance sheets

In Estonian kroons

	Note	31.12.2004	31.12.2003
ASSETS			
Current assets			
Cash at bank and in hand	2	5,443,473	4,622,564
Short-term financial investments	3	848,391,110	708,363,453
Accrued income			
Interest receivable		31,880	33,568
Other accrued income		-	8,754
Total accrued income	4	31,880	42,322
Prepaid expenses			
Prepaid and deferred taxes	5	-	8,973
Other prepaid expenses	6	39,618	9,940
Total prepaid expenses		39,618	18,913
Total current assets		853,906,081	713,047,252
Fixed assets			
Tangible assets			
Computers and other fixed assets		209,699	209,699
Accumulated depreciation		(197,539)	(188,377)
Total tangible assets	7	12,160	21,322
Total fixed assets		12,160	21,322
TOTAL ASSETS		853,918,241	713,068,574
LIABILITIES AND EQUITY			
Current liabilities			
Taxes payable	5	63,798	64,434
Accrued expenses	20	1,677,896	-
Payables to employees		46,974	48,606
Other payables		168,363	126,256
Total accrued expenses	8	1,893,233	174,862
Total current liabilities		1,957,031	239,296
Fund (equity) at end of financial year	17	851,961,210	712,829,278
TOTAL LIABILITIES AND EQUITY		853,918,241	713,068,574

Statements of changes in the Fund and in the sectoral funds

In Estonian kroons

	Note	2004	2003
Fund (equity) at the beginning of financial year		712,829,278	595,896,147
Deposit Guarantee Sectoral Fund		711,448,453	595,189,508
Investor Protection Sectoral Fund		768,783	458,450
Pension Protection Sectoral Fund		612,042	248,189
Contributions from fund participants	9	122,067,643	127,898,226
Deposit Guarantee Sectoral Fund		120,532,067	127,246,000
Investor Protection Sectoral Fund		836,342	298,103
Pension Protection Sectoral Fund		699,234	354,123
Compensation paid to depositors	10	(25,275)	(303,080)
Deposit Guarantee Sectoral Fund		(25,275)	(303,080)
Receipts on the basis of the right of claim	11	8,801,902	-
Deposit Guarantee Sectoral Fund		8,801,902	-
Financial income	12	16,137,513	14,227,277
Interest income		16,137,513	14,227,277
Financial expenses	13	(6,010,606)	(23,135,699)
Foreign exchange loss		(5,208,623)	(22,426,366)
Service fees		(801,983)	(709,333)
Other operating income	14	40	9
Administrative expenses		(1,839,285)	(1,753,602)
Personnel expenses	15	(1,518,597)	(1,373,491)
Other administrative expenses	16	(320,688)	(380,111)
Net result of the Fund	17	139,131,932	116,933,131
Deposit Guarantee Sectoral Fund		137,549,861	116,258,945
Investor Protection Sectoral Fund		861,950	310,333
Pension Protection Sectoral Fund		720,121	363,853
Fund (equity) at the end of financial year	17	851,961,210	712,829,278
Deposit Guarantee Sectoral Fund		848,998,314	711,448,453
Investor Protection Sectoral Fund		1,630,733	768,783
Pension Protection Sectoral Fund		1,332,163	612,042
including uncompensated deposits	19	2,554,616	2,579,891

Cash-flow statements

In Estonian kroons

	Note	<u>2004</u>	<u>2003</u>
Cash-flows from operating activity			
Payments received from credit institutions	9	122,067,643	127,898,226
Other receipts	11, 14	8,801,942	9
Compensation paid to depositors	10	(25,275)	(303,080)
Operating and personnel expenses		(1,779,109)	(2,305,952)
Net cash-flow from operating activity		129,065,201	125,289,203
Cash-flows from investing activities			
Investments		(143,184,560)	(141,272,411)
Interest received		14,940,268	13,854,203
Net cash-flow from investing activities		(128,244,292)	(127,418,208)
Net increase in cash		820,909	(2,129,005)
Cash and cash equivalents at beginning of period	2	4,622,564	6,751,569
Cash and cash equivalents at end of period	2	5,443,473	4,622,564

Notes to the financial statements

Note 1. Accounting principles

Basis of preparation of the financial statements

The financial statements of the Fund have been prepared in accordance with the Guarantee Fund Act, the Accounting Act of the Republic of Estonia and generally accepted accounting principles of Estonia. The content and the procedure for preparation of the annual report of the Fund is established by regulation no. 64 of the Minister of Finance of 28 April 2003. Instead of the principal statement included in the financial statements – the profit and loss account – the Fund uses the statement of changes in the Fund and in the sectoral funds established by the regulation of the Minister of Finance.

According to the law the Fund does not pay income tax or other taxes related to its operating activities to the state budget or local budgets, except for the taxes related to individuals.

The financial statements have been prepared in Estonian kroons.

Assets of the Guarantee Fund

The assets of the Guarantee Fund are divided into the rights to be exercised and obligations to be performed out of each sectoral fund. Separate accounts are kept for each sectoral fund.

From the contributions received by it the Fund establishes the following sectoral funds:

1. the Deposit Guarantee Sectoral Fund;
2. the Investor Protection Sectoral Fund;
3. the Pension Protection Sectoral Fund.

Cash at bank and in hand

According to the Guarantee Fund Act, accounts for the collecting of contributions to the Fund, the payment of compensation and other settlements related to the Fund's activities may be opened with one or more credit institutions operating in Estonia.

For the collecting of contributions and for settlements related to its activities the Fund has opened current accounts in Hansapank and Ühispank. The contributions paid to the Fund's current account by the fund participants must, through the Fund's current account in Eesti Pank, be invested within three days of their receipt. The balance of the Fund's current account may not exceed the amount required for the current activity of the Fund.

For the payment of compensation to the clients of EVEA Pank and ERA Pank the Fund has opened two accounts in Hansapank and two in Ühispank, whereby one of the accounts held at either bank is used for paying compensation to entitled persons and the other for depositing for a fixed period the compensations awaiting disbursement to entitled persons. The balance of the time deposit account and of the compensation payment account must be sufficient for the satisfaction of the claims of entitled persons. The payment of compensation during the accounting period is shown under the item

“Compensation paid to depositors” of the statement of changes in the Fund and in the sectoral funds (see Note 10).

For the investment purposes of its assets the Fund may open accounts with credit institutions of OECD countries having a credit rating determined by an internationally recognised rating agency, which is designated by a decision of the Supervisory Board of the Fund. For investment purposes the Fund has opened securities and current accounts in State Street Bank. Only the current accounts opened in State Street Bank are included in the balance sheet item “Cash at bank and in hand” (see Note 2).

Short-term financial investments

The Guarantee Fund Act provides that the Fund may invest its assets in bonds or other debt instruments listed on a stock exchange operating in an OECD country and deposits of credit institutions of OECD countries having a credit rating determined by an internationally recognised rating agency, which is designated by the Supervisory Board of the Fund. The Fund may invest its assets directly or through an asset manager.

The Fund’s assets are invested for a short term so that the obligation to guarantee deposits, investments and the units of pension funds within the time limit laid down by the law could be complied with, where necessary. Short-term investments comprise of bonds with fixed and floating interest rates and time deposits (see Note 3). The manager of the Fund’s assets is Eesti Pank, which exercises this function under the relevant agreement.

The bonds contained in the short-term financial investments shall be reported in the balance sheet at market value.

Purchases and sales of financial assets are recorded at settlement date.

Derivative Financial instruments

Derivative financial instruments are used for ensuring the currency structure of the Fund's assets which should correspond to the approximate currency structure of deposits compensated in the case of need. The Fund uses foreign currency swaps. The derivative financial instruments are recorded on the balance sheet at their fair value as assets if their market value is positive and as liabilities if their market value is negative respectively under the items "Short term financial investments" and "Accrued expenses" respectively (see Note 3 and 8). Gains and losses on derivative financial instruments are recorded in the statement of changes in the Fund and in the sectoral funds under items "Financial income" or "Financial expenses" (see Note 12 and 13). The nominal or contractual value and other significant terms of the derivative financial instruments are presented under off- balance sheet assets or liability (see Note 20).

Recognition of transactions and balance sheet items denominated in foreign currency

Transactions in foreign currency are recorded in the financial statements on the basis of the official exchange rate of Eesti Pank applicable on the transaction date. On the balance sheet the claims and liabilities denominated in foreign currency have been revalued at the official exchange rate of Eesti Pank applicable on the balance sheet date. The foreign exchange revaluation gains and losses shall be reported in the entry “Financial income” or “Financial expenses,” respectively, of the statement of changes in the Fund and in the sectoral funds (see Note 12 and 13).

Revenue and expenditure

The Fund’s revenue includes quarterly contributions from fund participants, single contributions payable by new fund participants upon joining the guarantee scheme, the income from the investment of the Fund’s assets, the amounts paid to the Fund by fund participants under the right of claim and within the limits of compensation paid to entitled persons (depositors, investors, unit-holders of mandatory pension funds), and other operating income. The Fund’s expenditure includes compensation paid to entitled persons, expenses related to the investment of the Fund’s assets, other operating expenses and administrative expenditure. The compensation paid to entitled persons and the amounts received from fund participants under the right of claim are recorded in the accounts on the cash basis and the rest of the revenue and expenditure is recorded on the accrual basis in the statement of changes in the Fund and in the sectoral funds. The profit and loss regarding the change of the market value of the bonds contained in the short-term financial investments shall be reported as interest income or interest expenses in the statement of changes in the Fund and in the sectoral funds. Outstanding accrued interest of time deposits are recorded under the balance sheet item “Accrued income” (see Note 4).

Principles of allocating revenue and expenditure between sectoral funds

The assets of the Fund are divided into the rights to be exercised and obligations to be performed out of each sectoral fund. The Fund keeps separate accounts for the assets and the direct and indirect revenue and expenditure of each sectoral fund. The principles of allocating the different revenue and expenditure items and their direct and indirect allocation between the sectoral funds are disclosed by the Fund in the accounting principles and the notes to the statement of changes in the Fund and in the sectoral funds. (see Note 17)

The principles of allocating revenue and expenditure items between the sectoral funds are as set out below:

Designation of the revenue or expenditure item in the statement of changes in the Fund and in the sectoral funds	Note	Description of allocation principle
Contributions from fund participants	9	Contributions from fund participants are allocated between the sectoral funds directly.
Compensation paid to depositors	10	Compensation paid to depositors is allocated between the sectoral funds directly.
Receipts on the basis of the right of claim	11	Receipts on the basis of the right of claim are allocated between the sectoral funds directly.

Designation of the revenue or expenditure item in the statement of changes in the Fund and in the sectoral funds	Note	Description of allocation principle
Financial income	12	The interest earned on compensation payment accounts and time deposits is allocated between the sectoral funds directly. The interest earned on current accounts is allocated between the sectoral funds proportionally to the contributions to sectoral funds received during the accounting period. The interest earned on financial investments is allocated between the sectoral funds proportionally to the average size of the sectoral funds during the accounting period.
Financial expenses	13	The service fees on financial investments are allocated between the sectoral funds proportionally to the average size of the sectoral funds during the accounting period. Foreign exchange losses are allocated only to the Deposit Guarantee Sectoral Fund directly.
Other operating income	14	Receipts of fines on overdue payments of contributions are allocated between the sectoral funds directly.
Administrative expenses	15, 16	Administrative expenses are allocated between the sectoral funds proportionally to the average size of the sectoral funds during the accounting period.

In every subsequent year the usefulness of applying the principles of indirect allocation of revenue and expenditure between the sectoral funds will be examined.

Off-balance sheet receivables

Upon payment of compensation to depositors, investors or the unit-holders of pension funds, the right of claim against the fund participant shall be transferred in the same amount from the beneficiaries to the Fund. In the financial statements the right of claim is treated as an off-balance sheet receivable, since it is not possible to assess the collectibility of the receivable with sufficient reliability. In case the fund participant pays the funds to cover a claim submitted, these amounts shall be reported as income of the respective sectoral fund in the entry "Receipts on the basis of the right of claim" in the statement of changes in the Fund and in the sectoral funds, simultaneously adjusting the off-balance claims (see Note 11 and 18).

Off-balance sheet liabilities

Compensation, which has not been paid to depositors, investors or the unit-holders of pension funds as of the balance sheet date and which has to be paid on their request, is reported as an off-balance sheet liability.

The payment of compensation for guaranteed deposits, investments or pension fund units must be completed within the time limits laid down by the law. Compensation not paid within these time limits is deposited and the beneficiary may file a claim against the Fund in order to receive compensation (see Notes 2, 10 and 19).

Fixed assets

Fixed assets are assets having an acquisition cost of over 5 000 kroons and an estimated useful life of over one year.

Tangible assets have been recorded on the balance sheet at their acquisition cost less accumulated depreciation. Fixed assets are depreciated on a straight-line basis in accordance with their estimated useful life as follows:

Group of fixed assets	Annual depreciation rates
Machinery, equipment, inventory	30%
Computer hardware	40%
Intangible assets	40%

Depreciation commences from the month of implementation of the fixed assets. The purchased software is reported as intangible assets.

Note 2. Cash at bank and in hand

	<u>31.12.2004</u>	<u>31.12.2003</u>
<u>In Estonian credit institutions</u>	3,354,761	3,071,219
Current accounts	985,989	681,174
Compensation payment accounts	268,772	290,045
Time deposits (unpaid compensation)	2,100,000	2,100,000
<u>In foreign credit institutions</u>	2,088,712	1,551,345
Current accounts	2,088,712	1,551,345
Total	5,443,473	4,622,564

Note 3. Short-term financial investments

	31.12.2004	31.12.2003
<u>Bonds</u>	848,391,110	657,417,003
Governments	476,094,369	627,258,512
Financial institutions	274,218,309	30,158,491
Companies	98,078,432	-
<i>Bonds at acquisition cost</i>	<i>842,652,352</i>	<i>654,544,560</i>
<u>Time deposits</u>	-	50,946,450
Financial institutions	-	50,946,450
Total	848,391,110	708,363,453
<i>Total short-term financial investments at cost</i>	<i>842,652,352</i>	<i>705,491,010</i>

Note 4. Accrued income

	31.12.2004	31.12.2003
<u>In Estonian credit institutions</u>	31,880	33,172
Interest receivable on compensation payment accounts	2,123	3,721
Interest receivable on time deposits	29,757	29,451
<u>In foreign credit institutions</u>	-	396
Interest receivable on time deposits	-	396
<u>Other accrued expenses</u>	-	8,754
Repayment of remuneration of member of the Supervisory Board	-	8,754
Total	31,880	42,322

Note 5. Prepaid taxes and taxes payable

	31.12.2004		31.12.2003	
	Receivables	Payables	Receivables	Payables
Social tax	-	35,779	4,991	35,999
Personal income tax	-	26,878	3,916	26,627
Unemployment insurance contribution	-	841	-	841
Pension contribution	-	300	66	215
Income tax on fringe benefits	-	-	-	752
Total	-	63,798	8,973	64,434

The taxes calculated on the remuneration of the month of December, but not yet transferred to the Tax Board, because the deadline is January 2005, are recorded under the tax payables.

Note 6. Prepaid expenses

	31.12.2004	31.12.2003
Prepayments to employees	1,029	497
Prepaid expenses for 2005	38,589	9,443
Total	39,618	9,940

Note 7. Fixed assets

	Intangible assets	Computers and other fixed assets	Total
Historical cost			
Balance at the beginning of period	71,367	209,699	281,066
Balance at the end of period	71,367	209,699	281,066
Accumulated depreciation			
Balance at the beginning of period	71,367	188,377	259,744
Depreciation	-	9,162	9,162
Balance at the end of period	71,367	197,539	268,906
Net book value at 31.12.2003	-	21,322	21,322
Net book value at 31.12.2004	-	12,160	12,160

Note 8. Accrued expenses

	31.12.2004	31.12.2003
<u>Derivative Financial instruments</u>	1,677,896	-
Foreign currency swaps (see Note 20)	1,677,896	-
<u>Payables to employees</u>	46,974	48,606
Vacation pay liability	46,974	48,606
<u>Other payables</u>	168,363	126,256
Asset manager's (Eesti Pank) fee	147,047	123,508
Suppliers payables	21,316	2,748
Total	1,893,233	174,862

Note 9. Contributions from fund participants

<u>To the Deposit Guarantee Sectoral Fund</u>	<u>2004</u>	<u>2003</u>
Credit institutions		
Hansapank	74,719,060	80,764,290
Eesti Ühispank	30,561,702	32,408,641
Sampo Pank	10,981,956	10,122,094
Eesti Krediidipank	3,679,413	3,425,938
Tallinna Äripank	474,293	392,064
SBM Pank	115,643	132,973
Total (see Note 17)	120,532,067	127,246,000

<u>To the Investor Protection Sectoral Fund</u>	<u>2004</u>	<u>2003</u>
Credit institutions		
Hansapank	366,805	108,235
Eesti Ühispank	252,227	107,402
Sampo Pank	38,599	9,927
Eesti Krediidipank	3,000	3,000
Tallinna Äripank	3,000	3,000
SBM Pank	3,986	3,000

Investment institutions		
Trigon Securities AS	42,297	6,031
Suprema Securities AS	5,752	4,935
Cresco AS	-	1,500
Kawe Kapital AS	23,403	11,815
Lõhmus, Haavel & Viisemann AS	42,051	12,898
Cresco Väärtpaberite AS	3,000	3,000

Fund management companies		
Hansa Investeerimisfondid AS	11,415	3,000
Ühispanga Varahalduse AS	5,189	3,000
Sampo Baltic Asset Management AS	23,618	5,360
Seesam Varahaldus AS	3,000	3,000
LHV Varahaldus AS	3,000	3,000
ERGO Varahalduse AS	3,000	3,000
Trigon Funds AS	3,000	3,000
Total (see Note 17)	836,342	298,103

<u>To the Pension Protection Sectoral Fund</u>	<u>2004</u>	<u>2003</u>
Pension Fund management companies		
Hansa Investeerimisfondid AS	345,855	158,191
Ühispanga Varahalduse AS	179,013	84,879
Sampo Baltic Asset Management AS	95,327	45,470
Seesam Varahaldus AS	26,093	28,840
LHV Varahaldus AS	23,744	17,444
ERGO Varahalduse AS	29,202	19,299
Total (see Note 17)	699,234	354,123

Note 10. Compensation paid to depositors

	2004	2003
Depositors of EVEA Pank	(12,055)	(140,439)
Depositors of ERA Pank	(13,220)	(162,641)
Total (see Note 17 and 19)	(25,275)	(303,080)

Note 11. Receipts on the basis of the right of claim

	2004	2003
Receipts from EVEA Pank (bankrupt)	8,801,902	-
Total (see Note 17 and 18)	8,801,902	-

Note 12. Financial income

	2004	2003
<u>Interest on assets in Estonian credit institutions</u>	105,773	114,854
Interest earned on time deposits	54,596	68,031
Interest earned on current accounts and overnight deposits	48,757	42,620
Interest earned on compensation payment accounts	2,420	4,203
<u>Interest on short-term financial investments</u>	16,031,740	14,112,423
Interest earned on bonds	15,911,806	13,746,577
Interest earned on time deposits	119,934	365,846
Total (see Note 17)	16,137,513	14,227,277

Note 13. Financial expenses

	2004	2003
<u>Service fees</u>	(801,983)	(709,333)
Maintenance fee for securities	(214,951)	(207,713)
Transaction fee for securities	(22,478)	(14,864)
Fee for account statements, incl. postal service	(14,614)	(25,127)
Asset manager's fee to Eesti Pank	(549,940)	(461,629)
<u>Loss from currency changes</u>	(5,208,623)	(22,426,366)
Loss from USD exchange rate changes	(5,208,623)	(22,426,366)
Total (see Note 17)	(6,010,606)	(23,135,699)

Note 14. Other operating income

	2004	2003
Other receipts, incl. fines	40	9
Total (see Note 17)	40	9

According to the Guarantee Fund Act the fund participants are required to pay a fine for any delay of 0,2 % of the outstanding amount for each day overdue in the case of full or partial failure to pay their contributions within the time limits laid down by the law.

Note 15. Personnel expenses

	2004	2003
Wages and salaries	(1,135,429)	(1,028,286)
incl. management and Supervisory Board	(701,825)	(611,381)
Social tax	(375,198)	(339,344)
Unemployment insurance premiums	(2,177)	(2,111)
In-service and further training	(5,793)	(3,750)
Total (see Note 17)	(1,518,597)	(1,373,491)

At the end of 2004 the Fund employed, besides the Director of the Fund, two members of staff. The Fund's Supervisory Board comprised eight members. Under the Guarantee Fund Act a Member of the Supervisory Board receives a monthly remuneration equal to the minimum monthly wage established by a Government Regulation.

Note 16. Other administrative expenses

	2004	2003
Rental expenses for premises	(117,245)	(153,164)
Assets of small value	(4,619)	(4,587)
Insurance costs	-	(1,139)
Information and communication costs	(111,481)	(125,037)
Other administrative expenses	(87,343)	(96,184)
Total (see Note 17)	(320,688)	(380,111)

Note 17. Statement of changes in the sectoral funds

	Note	Total for 2004	Deposit Guarantee Sectoral Fund	Investor Protection Sectoral Fund	Pension Protection Sectoral Fund
Fund (equity) at the beginning of financial year		712,829,278	711,448,453	768,783	612,042
Contributions from fund participants	9	122,067,643	120,532,067	836,342	699,234
Paid compensation	10, 19	(25,275)	(25,275)	-	-
Receipts on the basis of the right of claim	11, 18	8,801,902	8,801,902	-	-
Financial income	12	16,137,513	16,081,928	30,593	24,992
Financial expenses	13	(6,010,606)	(6,007,834)	(1,526)	(1,246)
Other operating income	14	40	-	40	-
Administrative expenses	15, 16	(1,839,285)	(1,832,927)	(3,499)	(2,859)
Net result of the Fund		139,131,932	137,549,861	861,950	720,121
Fund (equity) at the end of financial year		851,961,210	848,998,314	1,630,733	1,332,163

Note 18. Off-balance sheet receivables

	2004	2003
Claims against bankrupt credit institutions at the beginning of financial year		
EVEA Pank (bankrupt)	34,391,839	34,391,839
ERA Pank (bankrupt)	23,189,343	23,189,343
Total	57,581,182	57,581,182
Claims paid during financial year		
EVEA Pank (bankrupt)	(8,801,902)	-
Total (see Note 11 and 17)	(8,801,902)	-
Claims against bankrupt credit institutions at the end of financial year		
EVEA Pank (bankrupt)	25,589,937	34,391,839
ERA Pank (bankrupt)	23,189,343	23,189,343
Total	48,779,280	57,581,182

Note 19. Off-balance sheet liabilities

	2004	2003
Deposits to be compensated for at the beginning of financial year		
Depositors of EVEA Pank	1,366,547	1,506,986
Depositors of ERA Pank	1,213,344	1,375,985
Total	2,579,891	2,882,971
 Compensation paid		
Depositors of EVEA Pank	(12,055)	(140,439)
Depositors of ERA Pank	(13,220)	(162,641)
Total (see Note 10 and 17)	(25,275)	(303,080)
 Uncompensated deposits at the end of financial year		
Depositors of EVEA Pank	1,354,492	1,366,547
Depositors of ERA Pank	1,200,124	1,213,344
Total	2,554,616	2,579,891

Note 20. Derivative Financial instruments

Derivative Financial instruments	Contract amount	Market value	
		Assets	Liabilities
31.12.2003			
Foreign currency swaps	-	-	-
31.12.2004			
Foreign currency swaps	59,457,080	-	1,677,896
Total (see Note 8)	59,457,080	-	1,677,896

Auditor's report

[Translation from Estonia]

INDEPENDENT AUDITORS' REPORT

To the Supervisory Board of the Guarantee Fund:

We have audited the annual accounts of the Guarantee Fund ("the Fund") for the year ended 31 December 2004. These annual accounts are the responsibility of the Fund's Director. Our responsibility is to express an opinion on these annual accounts based on our audit.

We conducted our audit in accordance with Estonian Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the annual accounts. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of the annual accounts. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the annual accounts present fairly, in all material respects, the financial position of the Fund as at 31 December 2004, and the results of its operations and cash flows for the year then ended, in accordance with Estonian Accounting Act, Guarantee Fund Act and regulation of Minister of Finance no. 64 „The Guarantee Fund Annual Report“ dated 28 April 2003.

Veiko Hintsov
Certified Auditor
21 March 2005

AS Deloitte Audit Eesti

Signatures of the Director and the Supervisory Board to the 2004 annual report

The Director of the Guarantee Fund has prepared the annual report for 2004 (pages 1 to 29), which comprises the management report, the financial statements and the auditor's report. The Supervisory Board of the Guarantee Fund has approved the annual report on May 06, 2005.

	Name	Date	Signature
Director	Andres Penjam	.....	.....
Supervisory Board:			
Chairman	Vahur Kraft	.....	.....
Deputy Chairman	Andres Trink	.....	.....
Member	Robert Kitt	.....	.....
Member	Kristel Kivinurm-Priisalm	.....	.....
Member	Jürgen Ligi	.....	.....
Member	Eiki Nestor	.....	.....
Member	Katrin Talihärm	.....	.....
Member	Aivar Sõerd	.....	.....