

Minutes of the meeting of the Supervisory Board on 13 March 2007

Sparebanken Nord-Norge's Supervisory Board held a meeting on Tuesday 13 March 2007 at the Bank's premises in Tromsø.

The notice convening the meeting was dated 28 February 2007 and sent to members of the Supervisory Board, main Board of Directors and Control Committee and to the Bank's External Auditor.

34 members and invited deputy members attended the meeting:

Lars Klæboe	Arne Kr. Bredahl	Ane Kristine Røger
Jann Sandøy	Erik Sture Larre	Asbjørn Hopland
Reidun Kristiansen Flakstad	Tor Læg Reid	Torbjørn Henriksen
Britt Dahlberg	Trond Mohn	Inger Løkken
Jan-Hugo Sørensen	Widar Slemdal Andersen	Linda Bornø
Sigfred Andersen	Asbjørg Jensvoll Strøm	Per Olsen
Bjørn Atle Hansen	Bente Evensen	Hans Olav Gjøvik
Sissel Brufors Jensen	Torvall Lind	Randi Hanssen
Benn Mikalsen	Herman Mehren	Villy K. Johansen
Ann Sissel Emaus	Ole Ovesen	Ove Hagen
Avhild Yttergård	Marie M. Fangel	
Magnhild Mathisen	Berit O. Berg	

From the main Board of Directors the following persons attended:

Kjell Olav Pettersen		
Tom Veierød	Erik Sture Larre jr.	Rolf Pedersen
Hanne Pernille Bentsen	Åse Annie Opsjøn	Hans Olav Karde
Elisabeth Johansen	Vivi Ann Pedersen	Gunnar Kristiansen

In addition, the members of the Control Committee, External Auditor and representatives from the Bank's management attended.

There were no comments relating to the notice convening the meeting and the agenda to be dealt with. The meeting was declared legally opened.

Sissel Brufors Jensen and Trond Mohn were chosen to sign the Minutes together with the Chairman of the Supervisory Board.

The following matters had been presented for discussion:

1/2007 Approval of elected representatives and occupational assignments in other credit institutions

In accordance with paragraph 19, third section, elected representatives, employees or auditors in a savings bank cannot without approval of the Supervisory Board work as an elected representative of employee in another credit institution. A summary of new positions for Eva Thorin requiring the Supervisory Board's approval had been provided.

Eva Thorin

Member Supervisory Board (G)

* Swedbank AB: Senior Vice President

* Member Supervisory Board Sparebanken Rogaland

Resolution: The Supervisory Board approved the proposed positions of the Bank's elected representative in the above-mentioned credit institutions.

2/2007 The annual financial statement for 2006

In his introductory comments, Kjell Olav Pettersen, Chairman of the main Board of Directors, mentioned certain important aspects of the Bank's operations in 2006 and the various challenges facing the Bank.

Kjell Olav Pettersen finished by thanking the Bank's managers, its administration and each member of staff for their excellent efforts during 2006.

The CEO then explained about the main items in the accounts.

The chairman referred to the submitted annual financial statement including Profit and Loss Account, Balance Sheet, Notes to the Accounts and the Annual Report from the Board of Directors and proposed that the meeting passed the appropriate resolution.

Sverre Einersen, External Auditor, submitted the Auditor's Report and Dag Norvang, member of the Control Committee, submitted the Report from the Control Committee.

Resolution:

1. *The submitted Annual Financial Statement and Annual Report for 2006 for the Bank and the Group to be adopted as the Bank's and Group's accounts for 2006.*

2. *Cash dividend on PCCs for 2006 to be fixed at NOK 10.00 per PCCs.*

Dividend to be paid to all PCC-holders registered as owners as at 13 March 2007. The PCCs go ex-dividend on 14 March 2007

3. *NOK 45, 906,323 to be set aside for the Dividend Equalisation Fund*

4. *NOK 103,841,179 to be set aside for the Bank's Donations Fund*

3/2007 Auditor's fees – 2006

In his letter to the Chairman of the Supervisory Board dated 1 March 2007, the External Auditor asked for approval of ordinary auditing fees for 2006 amounting to NOK 908,141 and fees of NOK 223,750 for the audit of the IFRS accounts. Both amounts include value added tax.

Resolution: The Supervisory Board hereby fixed the External Auditor's fees for 2006 at NOK 908,141 and fees of NOK 223,750 including value added tax.

4/2007 The Control Committee's Report for 2006

Reference is made to report for the 2006 accounting year submitted by the Control Committee.

Resolution: The Supervisory Board have duly noted the report.

5/2007 Dividend issue

Reference is made to the memorandum provided in which it was suggested to the Supervisory Board that for the 2006 accounting year, the Bank's PCC-holders shall be able to choose between receiving a cash dividend and new PCCs. In the memorandum, the reasons for this were

I. Issuance of PCC-capital through a private placement:

- a) The Bank issues PCC-capital – minimum NOK 50 and maximum NOK 80 million – by issuing minimum 1 million and maximum 1.6 million PCCs.*
- b) Each PCC has a nominal value of NOK 50*
- c) The Board of Directors is given power of attorney to fix the subscription price, but not higher than NOK 150 or lower than NOK 100 per PCC.*
- d) The issue shall be arranged in the form of a private placement for the PCC-holders, who will be given the opportunity to subscribe for the issue with an amount maximised to the level of dividend to which the PCC-holder in question is entitled for the 2006 accounting year.*
- e) The PCCs must have been subscribed for by 11 April 2007 and must be subscribed for on a separate subscription form.*
- f) The subscription price will provide the total number of PCCs to be issued and the number of PCCs to be owned by each PCC-holder in order to be entitled to allocation of 1 PCC.*

Subscription may only be done in whole units of PCCs. It will not be possible to oversubscribe.

- g) All PCC-holders as at 13 March 2007 may participate in the issue.*
- h) Any PCC-holders not subscribing for certificates in the new issue will receive their dividends for 2006 as a cash payment. Similarly, PCC-holders not entitled to receive a whole number of new PCCs will receive a cash dividend from the excess number of PCCs involved.*
- i) The PCC-capital payment shall be settled by 20 April 2007 and only through the use of accrued and agreed, but not yet paid dividend from the Bank for 2006, as is stated on the separate subscription form.*
- j) The new PCCs are entitled to dividend from the time of registration of the capital at Foretaksregisteret (The Register of Business Enterprises).*

II. Power of attorney for the Board of Directors

The Supervisory Board hereby gives the main Board of Directors power of attorney within the abovementioned limits to fix the final issue amounts for the private placement and to agree any required changes to the Bank's by-laws in accordance with the capital increase mentioned under I above.

6/2007 Purchase of/collateral security in own PCCs

Reference is made to the submitted memorandum and to the CEO's briefing..

During the Supervisory Board's meeting on 14 March 2006, the main Board of Directors was authorised to acquire PCCs within a limit of 10 per cent of the PCC-capital's nominal amount up to 14 September 2007. In order to ensure that PCCs may be traded after this date, a new power of attorney is required.

The Supervisory Board's resolution to give such a power of attorney to the Board of Directors must be approved by the Financial Supervisory Authority of Norway (FSAN) and the resolution must be reported to the Register of Business Enterprises before the power of attorney may be used.

The Chairman referred to the proposal dated 28 February 2007.

Resolution:

- 1. The main Board of Directors is hereby authorised to buy and use own PCCs as collateral security within the limits contained in law, rules and regulations.*
- 2. The total amount of PCCs owned by the Bank or used as collateral security cannot exceed NOK 79 million or 10 per cent of the Bank's PCC-capital.*

3. *The smallest amount which may be paid for PCCs is NOK 50 and the highest NOK 300. This limit also applies to agreed collateral security so that the claim to be secured by the collateral must be within these amount-related limits.*
4. *Purchase of PCCs is to be done through the securities market through the Oslo Stock Exchange and sales are to be made through the same market, or, if this were to be the case, as a private placement earmarked for sale to staff and elected representatives, within the currently applicable laws, rules and regulations.*

Collateral security must be arranged through agreements with customers in connection with the granting of credit and any realisation of such collateral security in the securities market via the Oslo Stock Exchange.

5. *The Power of Attorney is valid for 18 months, until 13 September 2008.*

7/2007 Change in by-laws

The Chairman of the Supervisory Board referred to the submitted memorandum of 28 February 2006.

The Bank's by-laws are based on the normal by-laws prepared by the Financial Supervisory Authority of Norway (FSAN) in 1977, with subsequent changes and adaptations. In co-operation with Sparebankforeningen in Norge (the Norwegian Savings Banks Association), FSAN has prepared new suggested by-laws.

There is a need to bring Sparebanken Nord-Norge's by-laws up to date and in the memorandum provided a number of adjustments to the by-laws were suggested in accordance with FSAN's proposal.

The CEO referred to the discussion at the meeting of the Bank's main Board of Directors on 6 February this year, when the proposed changes to the by-laws were recommended.

The Chairman of the meeting reminded all present that this matter must be discussed at 2 meetings, the second time at the meeting on 14 March this year.

Resolution – after the matter had been discussed the first time:

A proposal for various changes to the Bank's by-laws was put forward.

Resolution to be adopted at a later meeting.

The ordinary meeting of the Supervisory Board was adjourned.

The Supervisory Board and main Board of Directors discussed the following matter at a joint meeting:

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8/2007 The Donations Fund

The main Board of Directors has proposed that NOK 103,841.179 of the profit for the year is to be set aside for the Donations Fund. According to the Savings Banks Act, paragraph 17, first section, no. 3, a joint meeting of the Supervisory Board and main Board of Directors shall decide on the allocation of the donations which may be provided for various useful purposes.

Proposal: The Supervisory Board and main Board of Directors have decided in a joint meeting that the main Board of Directors is given power of attorney to allocate the amount of donations totalling NOK 103,841.179, with reference to the Savings Banks Act, paragraph 17, first section, no. 3.

All resolutions were unanimous.

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The meeeting finished at 15.30.

Sissel Brufors Jensen (sign.)

Trond Mohn (sign.)

Jan-Hugo Sørensen (sign.)
Chairman of the Supervisory Board