

Minutes of the meeting of the Supervisory Board on 10 March 2009

SpareBank 1 Nord-Norge's Supervisory Board held a meeting on Tuesday 10 March 2009 at 1 pm at the Bank's premises in Tromsø.

The notice convening the meeting was dated 27 February 2009 and sent to members of the Supervisory Board, main Board of Directors and Control Committee and to the Bank's External Auditor.

32 members and invited deputy members attended the meeting:

Lars Klæboe	Ole Simonsen	Marie Fangel
Harald Erik Johannessen	Kjell Kræmer	Tom Svendsen
Jan-Hugo Sørensen	Svein Brustad	Odd Erik Hansen
Line Mikkelsen	Erik Sture Larre	Stein Kristiansen
Erling Stene Martinsen	Tor Læg Reid	Asbjørn Hopland
Cecilie Lysjø Jacobsen	Widar Slemdal Andersen	Bodil Hanssen
Charlotte Ringkjøb	Asbjørg Jensvoll Strøm	Inger Løkken
Britt Dahlberg	Bente Evensen	Kristin Langseth
Kari Ann Olsen Lind	Berit Berg	Ann Kathrina Langaune
Sissel Brufors Jensen	Ole Ovesen	Einar Frafjord
Tor Zachariassen	Alf E. Erevik	Dag Inge Lund

From the main Board of Directors the following persons attended:

Kjell Olav Pettersen	Roar Dons	Pål Andreas Pedersen
Erik Sture Larre jr.	Elisabeth Johansen	Vivi Ann Pedersen
Hanne Pernille Bentsen	Ann-Christine Nybacka	Gunnar Kristiansen

In addition, the Chairman of the Control Committee, the 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.

Line Mikkelsen and Alf Erevik were chosen to sign the Minutes together with the Chairman of the Supervisory Board.

The following matters had been presented for discussion:

1/2009 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 or employee in another credit institution. A summary of new positions requiring the Supervisory Board's approval had been provided.

In addition, the meeting was informed that the Bank had been made aware of the inquiry of C.E.O. Hans Olav Karde of being chairman of the Board of BNbank ASA. Further to Mr. Olav Karlsen's retirement by the end of the year he will withdraw from his position as member of the Board of Bank Tavrichesky. This position will be followed by C.E.O. Hans Olav Karde according to the Main Board's decision taken at their meeting on 10 March.

The Bank's Supervisory Board agreed to deal with these positions at the same time.

Liv Bortne Ulriksen
Senior Group General manager,
SpareBank 1 Nord-Norge

* Member of the Board, BNbank ASA

Stig-Arne Engen
Senior Group General manager,
SpareBank 1 Nord-Norge

* Deputy chairman, SpareBank 1 Boligkreditt

Hans Olav Karde
C.E.O.

* Chairman, Board, BNbank ASA
* Member of the Board, Bank Tavrichesky

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

2/2009 The annual financial statement for 2008

In his introductory comments, Kjell Olav Pettersen, Chairman of the main Board of Directors, mentioned certain important aspects of the Bank's operations in 2008 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 2008.

The CEO then explained about the main items in the accounts and gave a briefing of the general economic market.

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.

Stig-Tore Richardsen, External Auditor, submitted the Auditor's Report and Per Christiansen, chairman of the Control Committee, submitted the Report from the Control Committee.

Resolution:

- 1. The proposed annual accounts with the profit for the year NOK 213.654.079 for the Parent Bank and 347.403.000 for the Group as well as the proposed annual report for 2008 are approved.*
- 2. The cash dividend for 2008 per Primary Capital Certificate (PCC) shall be NOK 3,00.*

Dividend will be paid to registered PCC-holders as at 10 March 2009. The PCC will be quoted ex-dividend 11 March 2009.

- 3. NOK 19.376.207 is set aside for the Dividend Equalisation Fund.*
- 4. NOK 39.979.465 is set aside for the Bank's Donations Fund.*

3/2009 The Donations Fund

The main Board of Directors has proposed that NOK 39.979.465 of the profit for the year is to be set aside for the Donations Fund. According to the Savings Banks Act, paragraph 12, fifth section, no. 3, the Supervisory Board shall decide on the allocation of the donations which may be provided for various useful purposes.

Resolution: The Supervisory Board approved that the main Board of Directors is given power of attorney to allocate the amount of donations totalling NOK 39.979.465 for the year 2008.

4/2009 Auditor's fees – 2008

In his letter to the Chairman of the Supervisory Board dated 24 February 2009, the External Auditor asked for approval of ordinary auditing fees for 2008 amounting to NOK 902 065 excluded value added tax.

Resolution: The Supervisory Board hereby fixed the External Auditor's fees for 2008 at NOK 902 065 excluding value added tax.

5/2009 The Control Committee's Report for 2008

Reference is made to report for the 2008 accounting year submitted by the Control Committee.

Resolution: The Supervisory Board has duly noted the report.

6/2009 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 11 March 2008, 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 11 September 2009. 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 25 February 2009.

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 89 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 10 September 2010.*

7/2009 New subordinated debt - governmental credit measures

The Chairman of the Supervisory Board referred to the notice dated 25 February 2009 which had previously been sent out. The Chief Executive Officer informed about the matter.

Resolution:

The Supervisory Board agreed that the Bank may raise one or more subordinated loans up to a total amount of subordinated loans of NOK 3.050 million, or the equivalent in foreign currency. New borrowings shall be made as follows:

<i>Borrower:</i>	<i>SpareBank 1 Nord-Norge</i>
<i>Security:</i>	<i>None</i>
<i>Maturity:</i>	<i>Minimum 10 years, with option to redeem loan after 5 years.</i>

The whole or parts of the borrowing may be made as perpetual subordinated loans and/or perpetual non-call bonds, including loans within the Norwegian governmental credit measures established to strengthen Norwegian bank's capital adequacy.

The main Board of Directors is hereby authorised to accept the terms and conditions for the subordinated capital. The decision to accept the terms and conditions may be delegated to the Chief Executive Officer.

The power of attorney relating to raising subordinated loans is to be regarded as a limit which may be utilised for one or several borrowings. The power of attorney is valid up to 30.04.2011.

The power of attorney relating to raising subordinated loans given by the Supervisory Board at their meeting in March 2008 is hereby cancelled.

8/2009 Guidelines for executives' compensation

According to the Norwegian public limited liability companies act § 6-16a the Board shall establish guidelines for executives' compensation. The guidelines shall be submitted to the Supervisory Board.

The Main Board addressed the guidelines concerning salaries and other remuneration for executives on 11 December 2008.

The Chairman of the Supervisory Board referred to the memo dated 25 February 2009 which had previously been sent out.

Mr. Larre raised the question as to whether point 3 in the guidelines should be changed in order to give the possibility of distributing bonus as appreciation for excellent work even if the operating result is negative. The chairman of the main board underlined the fact that the guidelines do give

this possibility since the criteria are often linked to profit making and not only to profit on the bottom line.

Resolution: The Supervisory Board has duly noted the guidelines for executives' compensation.

All resolutions were unanimous.

Line Mikkelsen (sign.)

Alf Erevik (sign.)

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