

# Minutes of the Supervisory Board meeting of 29 March 2011

The Supervisory Board of SpareBank 1 Nord-Norge held a meeting on 29 March 2011 at 1:00 p.m. in the assembly hall at SpareBank 1 Nord-Norge's offices in Tromsø.

The notice of the meeting was dated 8 March 2011. Documents were forwarded on 21 March 2011 to the members of the Supervisory Board, Main Board of Directors and Control Committee, as well as the external auditor.

36 members and summoned deputy members were present, namely

Berit Berg	Bente Evensen	Tone Marie Myklevoll
Einar Frafjord	Sissel Brufors Jensen	Charlotte Ringkjøb
Bodil Hanssen	Asbjørg Jensvoll Strøm	Jan-Hugo Sørensen
Ann Kathrina Langaune	Tom Rømer Svendsen	Hugo Thode Hansen
Kristin Langseth	Terje Vareberg	Thone Bjørklund
Inger Løkken	Odd Erik Hansen	Dagfinn Olsen
May Britt Nilsen	Cecilie Lysjø Jacobsen	Ole Sigurd Simonsen
Øyvind Pallesen	Harald Erik Johannessen	Sissel Ditlefsen
Frode Pedersen	Kari Ann Olsen Lind	Svein Brustad
Tor Zachariassen	Line Mikkelsen	
Frode Helgerud		
Toril Ringholm		
Erik Sture Larre		
Herman Mehren		
Trond Mohn		
Oddbjørn Schei		
Marie M. Fangel		

Following members of the Main Board of Directors were present:

Kjell Olav Pettersen	Roar Dons	Gunnar Kristiansen
Erik Sture Larre jr.	Elisabeth Johansen	
Anita Persen	Pål Andreas Pedersen	

In addition, members of the Control Committee, external auditor, CEO and representatives of the bank's administration were present.

There were no comments on the notice of the meeting and the agenda. The meeting was declared to be lawfully constituted.

Trond Mohn and Cecilie Lysjø Jacobsen were elected to sign the minutes jointly with the Supervisory Board's chairman.

The following items were on the agenda:

## Item 1/2011 Approval of offices and positions in other credit institutions

Pursuant to Section 19, third paragraph of the Savings Banks Act officers or employees, or the auditor, of a savings bank cannot hold an office or position in another credit institution without the consent of the Supervisory Board.

The following list of new offices and positions that require the consent of the Supervisory Board has been distributed:

The Supervisory Board resolved to review these offices and positions together with the other offices and positions.

***Kjell Olav Pettersen***

*Chairman of the Main Board of Directors*

*\* Chairman of the Supervisory Board of Bank 1 Oslo*

*\* Chairman of the Supervisory Board of the SpareBank 1 Group and subsidiaries*

***Terje Vareberg***

*Member of the Supervisory Board*

*\* Member of the Board of Bank 1 Oslo*

*\* Deputy member of the Board of BN Bank ASA*

***Tom Rømer Svendsen***

*Member of the Supervisory Board*

*\* Member of the Board of Trustees of Sparebanken Øst*

***Liv Bortne Ulriksen***

*Senior Group General Manager*

*\* Member of the Board of SpareBank 1 Nord-Norge Finans*

*Resolution: The Supervisory Board approved the offices and positions that the bank's officers/employees have in the aforementioned credit institutions.*

## Item 2/2011 Annual financial statements for 2010

As a manner of introduction, the Chairman of the Main Board of Directors, Kjell Olav Pettersen, commented on important aspects of the bank's operations in 2010 and the challenges the bank is currently facing.

Kjell Olav Pettersen thanked in conclusion the bank's management, administration and each individual employee for their hard work and excellent efforts in 2010.

The CEO subsequently explained the main items in the accounts. In addition, an explanation was provided for the bank's efforts with regard to cash management and the structural developments in the savings bank sector, including evaluations related to the conversion from a savings bank to a limited savings bank.

The chairman of the meeting referred to the annual financial statements, which included the income statement, balance sheet, notes and the report of the Main Board of Directors and gave an account of the recommended resolution.

External auditor Stig-Tore Richardsen gave an account of the auditor's report and a member of the Control Committee, Dag Norvang, gave an account of the Control Committee's report.

*Resolution:*

1. *The submitted annual report and accounts for 2010 for the parent bank and group are adopted as the parent bank's and group's accounts for 2010.*
2. *The cash dividend for the bank's equity certificates is set at NOK 5.75 per equity certificate for 2010, for a total of NOK 102,994,419.75.*

*Dividends are distributed to registered equity certificate holders as of 29 March 2011. The bank's equity certificates will be traded ex dividend as of 30 March 2011.*

3. *The bank allocates NOK 103,100,117.29 to the equalisation reserve.*
4. *The bank allocates NOK 195,166,039.33 as a dividend to the bank's community-owned capital. This is distributed as follows:*

- *The bank's recognised Donations Fund* *NOK 41,045,000.00*
- *Savings Bank Foundation SpareBank 1 Nord-Norge* *NOK 124,121,039.33*
- *Donations :* *NOK 30,000,000.00*  
*(controlled by regional Boards of Directors / CEO)*

*The Executive Board is granted authority to perform the necessary transactions and grant the necessary authorities to carry out this item.*

5. *The Executive Board is granted the authority to control the Bank's Endowment Fund recognised in the balance sheet in accordance with the rules and guidelines in force at any given time for the awarding of gifts.*
6. *The Bank allocates NOK 195.387.854,10 to the Savings Bank's Fund.*

### Item 3/2011 Auditor's fees for 2010

In a letter to the Supervisory Board's chairman dated 4 March 2011 the external auditor requested approval of ordinary auditor's fees of NOK 887,755 for 2010, exclusive of VAT.

*Resolution: The Supervisory Board approved the external auditor's fees of NOK 887,755 exclusive of VAT, for 2010.*

## Item 4/2011 Control Committee's report for 2011

An account was given of the Control Committee's report for the 2011 financial year

*Resolution: The Supervisory Board took the Control Committee's report into consideration.*

## Item 5/2011 Declaration concerning guidelines for the remuneration of senior employees

The Supervisory Board's chairman made reference to the proposal for the item and gave an account of the declaration by the Main Board of Directors.

*Resolution: The Supervisory Board took the Main Board of Directors' declaration into consideration.*

## Item 6/2011 Purchase of or security interest in the bank's own equity certificates

The chairman of the meeting made reference to the proposal distributed for this item.

The Supervisory Board's resolution to give such authority to the Main Board of Directors as proposed must be approved by the Financial Supervisory Authority of Norway and the resolution must be reported to the Register of Business Enterprises before the authority can be exercised.

*Resolution:*

1. *The Main Board of Directors is granted the authority to purchase or establish a security interest in the bank's own equity certificates within the restrictions stipulated by law and regulations*
2. *The total holdings of equity certificates that the bank owns and/or has a contractual charge on cannot exceed NOK 89 million or 10% of the bank's equity capital.*
3. *The minimum amount that can be paid for the equity certificates is NOK 25 and the maximum amount is NOK 150. These limits also apply to contractual charges so that claim that is to be secured by the charge must also be within the same monetary limits.*
4. *The acquisition of equity certificates shall take place by purchases via the Oslo Stock Exchange and disposals shall take place by sales in same market, or as a private sale to employees in accordance with the current law and regulations.*

*The pledge of security interests will take place through an agreement with customers in connection with the granting of credit and any realisation of the security interest through the securities market via the Oslo Stock Exchange.*

5. *This authority will remain valid for 14 months until 29 May 2012 or as long as long as it is approved by the Financial Supervisory Authority of Norway.*

**Item 7/2011 Capitalisation issue, split, rights issue, private offering, authority to issue hybrid tier 1 securities and authority to raise subordinated loan capital**

The chairman of the meeting made reference to the proposal for this item. The CEO gave an account of the various proposals from the Main Board of Directors and commented on these. The draft resolutions that the Main Board of Directors has proposed that the Supervisory Board adopt at the meeting of 30 March 2011 were presented to the Supervisory Board.

**Item 8/2011 Establishment of the Savings Bank Foundation SpareBank 1 Nord-Norge**

The chairman of the meeting made reference to the proposal for this item. The CEO gave an account of the various proposals from the Main Board of Directors and commented on these. The draft resolutions that the Main Board of Directors has proposed that the Supervisory Board adopt at the meeting of 30 March 2011 were presented to the Supervisory Board.

All the resolutions were unanimous.

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Trond Mohn

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Cecilie Lysjø Jacobsen

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Jan-Hugo Sørensen  
Supervisory Board Chairman