

Minutes of the Supervisory Board meeting of 26 March 2012

The Supervisory Board of SpareBank 1 Nord-Norge held a meeting on Monday 26 March 2012 at 4.30 p.m. at the Spitsbergen Hotel, Longyearbyen.

The notice of the meeting was dated 5 March 2012 and forwarded to the members of the Supervisory Board, Main Board of Directors and Control Committee, as well as the external auditor.

37 members and summoned deputy members were present, namely

Cecilie Lysjø Jacobsen	Tor Zachariassen	Sissel Ditlefsen
Harald Erik Johannessen	Ole Simonsen	Marie M. Fangel
Reidun K. Flakstad	Svein Brustad	Odd Erik Hansen
Jan-Hugo Sørensen	Frode Helgerud	Trond Vidar Hansen
Tone Marie Myklevoll	Trygve Myrvang	May Britt Nilsen
Trine Stenvold	Trond Mohn	Hans Olav Gjøvik
Kari Ann Olsen Lind	Odd Fygle	Ann-Kirsten Larsen
Charlotte Ringkjøb	Asbjørg Jensvoll Strøm	Ann Kathrina Langaune
Britt Dahlberg	Bente Evensen	Therese Isaksen
Aina Willumsen	Oddbjørn Schei	Frode Pedersen
Hugo Thode Hansen	Berit Berg	Øyvind Pallesen
Sissel Brufors Jensen	Herman Mehren	
Dagfinn Olsen	Ole Ovesen	

Following members of the Main Board of Directors were present:

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

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 Vidar Hansen and Tone Marie Myklevoll were elected to sign the minutes jointly with the Supervisory Board's Chairman.

The following items were on the agenda:

Item 1/2012 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.

Rolf Eigil Bygdnes
Senior Group General Manager

** Member of the Board of SpareBank 1 Næringskreditt*

Elisabeth Utheim
Senior Group General Manager

**Member of the Supervisory Board of BN Bank ASA*

Vivi Ann Pedersen
*Member of the Main Board of Directors
SpareBank 1 Gruppen AS*

** Deputy Member of the Board of*

** Observer on the Board of the Alliance Cooperation (SAS)*

Rigmor Abel
*AS
Member of the Control Committee*

** Member of Control Committee of Bank 1 Oslo Akershus*

**Member of the Control Committee of BN Bank ASA*

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

Item 2/2012 Annual financial statements for 2011

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 2011 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 2011.

The CEO subsequently explained the main items in the accounts. In addition, an explanation of the accounting figures and comments on the bank's activities were provided, as well as a briefing on the general economic situation.

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.

Questions from members of the Supervisory Board were raised, which were answered by the chairman and CEO.

External auditor Stig-Tore Richardsen gave an account of the auditor's report and the Chairman of the Control Committee, Tore Bråthen, gave an account of the Control Committee's report.

Resolution:

1. *The submitted annual report and accounts for 2011 for the parent bank and group are adopted as the parent bank's and group's accounts for 2011.*
2. *The cash dividend for the bank's equity certificates is set at NOK 1.40 per equity certificate for 2011, for a total of NOK 92,692,581.80. NOK 15,997,730.03 is allocated from the equalisation fund as a part of the cash dividend to the equity certificate holders.*

Dividends are distributed to registered equity certificate holders as of 26/03/2012. The bank's equity certificates will be traded ex dividend as of 27/03/2012.

3. *Net allocation to the equalisation reserve is NOK 76,238,809.75*
4. *The bank allocates NOK 121,278,426.22 as a dividend to the bank's community-owned capital. This is distributed as follows:*

- *The bank's recognised Donations Fund* *NOK 38,469,750.00*
- *Savings Bank Foundation SpareBank 1 Nord-Norge* *NOK 46,808,686.22*
- *Donations (controlled by the regional Boards of Directors / CEO):*
NOK 36,000,000.00

The Main Board of Directors is granted authority to perform the necessary transactions and grant the necessary authorities to carry out this item.

5. *The Main Board of Directors 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 145.854.683,21 to the Savings Bank's Fund.*

Item 3/2012 Auditor's fees for 2011

In a letter to the Supervisory Board's chairman dated 02 March 2012 the external auditor requested approval of ordinary auditor's fees of NOK 841,550 for 2011, exclusive of VAT.

Resolution: The Supervisory Board approves the external auditor's fees of NOK 841,550 exclusive of VAT, for 2011.

Item 4/2012 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 5/2012 Guidelines concerning remuneration for senior executives

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

Resolution: The Supervisory Board takes the guidelines for salary and other remuneration for senior executives into consideration.

Item 6/2012 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 authorised to purchase and establish security interest in own equity certificates within the framework stipulated by statutes and regulations.*
- 2. The total holdings of equity certificates that the bank owns and/or has security interest in may not exceed 10 % of the bank's equity certificate capital.*
- 3. The minimum amount that can be paid for the equity certificates is NOK 12.5 and the*

maximum amount is NOK 75. These limits also apply to contractual charges so that the 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 26 May 2013 or as long as it is approved by the Financial Supervisory Authority of Norway.*

Item 7/2012 Authorisation for private placements to Sparebankstiftelsen
SpareBank 1 Nord-Norge

The chairman of the meeting made reference to the proposal for this item. The Main Board of Director's proposal for a resolution concerning authorisation for a private placement to Sparebankstiftelsen SpareBank 1 Nord-Norge, as these are presented in the item proposal, was presented to the meeting of the Supervisory Board.

The issue of whether the member Kjell Kolbeinsen, who is Chairman of Sparebankstiftelsen SpareBank 1 Nord-Norge, was disqualified in the matter, was raised. The management responded that the issue would be considered before item 10/2012 was discussed.

All the resolutions were unanimous.

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Trond Vidar Hansen

Tone Marie Myklevoll

Jan-Hugo Sørensen
Supervisory Board Chairman