

ARTICLES OF ASSOCIATION OF SR-Boligkreditt AS

Chapter I Company name. Objective. Office municipality

Article 1

The name of the company is SR-Boligkreditt AS.

The objective of the company is to provide or acquire residential mortgages, commercial mortgages or public loans and to finance lending activities, principally through the issue of covered bonds.

Funds for lending shall be procured as stipulated in Article 15.

The company has its registered office in Stavanger.

Chapter II Regulatory capital

Article 2

The company's share capital is NOK 1,275,000,000, divided into 1,275,000 shares at NOK 1,000 which are fully paid up.

The general meeting can, with the King's consent, raise subordinated loan capital and guarantee capital.

The subordinated loan capital must be raised with an average maturity of at least 5 years.

Guarantee capital and subordinated loan capital shall serve to meet the company's obligations.

When guarantee or loan capital is raised, it shall be clearly stated in the terms and conditions whether the capital is to be used to cover the company's obligations in accordance with previous, current or future raising of such capital, i.e. the relative priorities the various loans shall have.

Chapter III Board of Directors

Article 3

The company's Board of Directors shall consist of four to six members elected by the Supervisory Board for a period of two years, and with the deputy members the Supervisory Board may deem necessary.

After one year, a minimum of half of the elected members will be up for re-election, based on the drawing of lots, while the remainder will be up for re-election after one more year.

Members of the Board of Directors can be re-elected.

The chairman of the Board of Directors is elected by the Supervisory Board.

Article 4

The chairman of the Board of Directors shall ensure that the Board of Directors convenes once every quarter and otherwise as often as the company's activities so warrant or when requested by at least one member of the Board of Directors.

Article 5

The Board of Directors shall direct the company's activities.

The Board of Directors is therefore responsible for, among other thing:

1. Making decisions relating to the raising of loans.
2. Granting credit and providing guarantees, as well as stipulating the terms and conditions for this.
3. Determining how the company's funds that have not been loaned out are to be used.
4. Granting power of procuration or special authorisation.
5. Appointing the managing director.
6. Constituting the company's audit committee and risk committee or appointing such committees.

The chairman of the Board of Directors, the managing director or two board members jointly may sign on behalf of the company.

The managing director is responsible for the day-to-day management of the company in accordance with instructions set by the Board of Directors.

Chapter IV The Supervisory Board

Article 6

The Supervisory Board shall consist of a minimum of six members and up to three deputy members.

The Supervisory Board should be diverse, with representatives from the various districts, interest groups and industries affected by the company's activities.

The chairman of the Supervisory Board and at least half of its members shall be resident in the Kingdom of Norway, unless an exception is made by the King in individual cases. The residence requirement does not apply to nationals of states that are signatories to the EEA Agreement, when they are resident in one such state.

Members of the Board of Directors, observers and the managing director cannot be members of the Supervisory Board.

Members and possible deputy member(s) are elected at the general meeting for terms of 2 years.

A member of the Supervisory Board may step down before the end of his/her term if there are special grounds to do so. The Supervisory Board and the elector of that member must be given reasonable advance notice. A member of the Supervisory Board may be relieved of his or her duties by the elector of that member. This does not apply for any members elected by the employees of the company.

If a member of the Supervisory Board steps down prior to the end of his/her term, a new member must, at the earliest opportunity, be elected for the remainder of the term.

The general meeting elects the chairman of the Supervisory Board.

Article 7

Meetings of the Supervisory Board are convened by the chairman and shall be held at least once a year and otherwise when deemed necessary by the chairman and when requested by the Board of Directors or Control Committee, or by at least one-sixth of the members of the Supervisory Board.

The members of the Board of Directors and Control Committee and the auditor must be summoned to meetings of the Supervisory Board. Unless the Supervisory Board decides otherwise for a particular item of business, the members of the Board of Directors and Control Committee have the right to attend and make statements at meetings of the Supervisory Board. The chairman of the Board of Directors and the managing director are required to attend meetings of the Supervisory Board unless this is clearly unnecessary or there is a valid reason for being absent. In the latter case, a designated deputy must attend.

Remuneration of the members of the Supervisory Board is set by the general meeting. A member of the Supervisory Board cannot receive remuneration for his/her work on the Supervisory Board from any source other than the company. This also applies to remuneration that another contracting party or his or her representative has demanded from the company.

Remuneration that is agreed upon or received in violation of the prohibition in the third paragraph, accrues to the company. This includes returns on and property that have been given in lieu of remuneration.

The prohibition in the third paragraph shall not preclude a member of the Supervisory Board who does not participate in the day-to-day operations of the company from acting as an intermediary to the company in return for receiving ordinary intermediary payment if:

1. the member of the Supervisory Board does not also represent the company, and
2. the business is part of an intermediary business that the member of the Supervisory Board conducts on a commercial basis.

The members of the Supervisory Board must not act in a manner that enables specific shareholders or others to gain an unreasonable advantage at the expense of other shareholders or the finance company.

The Supervisory Board must not comply with any decision by the general meeting or another company body if the decision is contrary to law or the company's articles of association.

The Supervisory Board forms a quorum when more than half of all members are present. However, the Supervisory Board cannot make decisions unless all members have been given the opportunity to participate in the discussion of the item of business. If a member cannot attend, a deputy member must be given the opportunity to attend.

The decision of the Supervisory Board reflects the position that the majority of members present have voted for. In the event of a tied vote, the chair of the meeting casts the deciding vote. Those who vote for a decision must still always constitute more than one-third of all members of the Supervisory Board.

Article 8

The Supervisory Board shall therefore:

1. Supervise the management of the company by the Board of Directors and the managing director and ensure that the company's objective is promoted in accordance with laws, the articles of association and the decisions of the general meeting and the Supervisory Board.
2. Elect the Board of Directors in accordance with article 3 of the articles of association.
3. Elect the auditor.
4. Receive information about the company's operations and review the extract of its accounts and reports from the Control Committee. In meetings of the Supervisory Board, any member can request information on the company's operations to the extent this is deemed necessary. The Supervisory Board can initiate investigations, either by the Supervisory Board itself or by a committee.
5. Review the annual accounts and report and the auditor's report and make a statement to the general meeting regarding the Board of Directors' proposed annual accounts and the Board of Directors' proposal for the allocation of profits or the coverage of loss. The Board of Directors' proposal and the auditor's report must be submitted to the members of the Supervisory Board no later than one week before they are to be considered.
6. Make statements on issues relating to the company's activities presented by the Board of Directors or Control Committee.

The Supervisory Board can make recommendations to the Board of Directors on all topics. The articles of association can stipulate that certain business matters that do not fall under the remit of the executive management must require the consent of the Supervisory Board.

Minutes of meetings must be kept and the minutes are the responsibility of the chair of the meeting. The minutes must be approved and signed by all attendees, or by the chair of the meeting and one other attendee who is elected at the meeting.

Chapter V The Control Committee

Article 9

The company shall have a Control Committee consisting of a minimum of three members and one deputy member. The Control Committee shall be identical to the Control Committee at SpareBank 1 SR-Bank ASA.

One of the Control Committee members must satisfy the requirements that apply for judges pursuant to Section 54, paragraph two, of the Courts of Law Act. The election of this member must be approved by the Financial Supervisory Authority of Norway.

The elections apply for terms of two years.

The Control Committee shall supervise the company's activities, including transactions by the Board of Directors, and must, among other things, ensure that the activities are conducted in compliance with applicable laws and the articles of association.

Members of the Board of Directors, deputy members of the Board of Directors, the auditor or employees of the company cannot be elected as members or deputy members of the Control Committee. In addition, no one may be elected who is legally incompetent or is a subordinate, dependent, spouse or relative by blood or by marriage in direct line of ascent or descent or in the first collateral line of any member of the Board of Directors, deputy member of the Board of Directors, the auditor, or employee of the company.

Furthermore, no one may be elected whose estate is subject to bankruptcy proceedings, composition proceedings or a private arrangement. If circumstances arise that entail that the person in question can no longer be elected, this person shall step down from the Control Committee.

Chapter VI Audit

Article 10

The company must have a state-authorised public accountant who is elected by the Supervisory Board.

Chapter VII General Meeting

Article 11

The ordinary general meeting shall be held each year before the end of April and is convened by the chairman of the Board of Directors.

An extraordinary general meeting shall be held when this is requested by the Board of Directors, Control Committee, chairman of the Supervisory Board, or the company's auditor, or shareholders representing at least one-tenth of the share capital.

The deadline for sending notice of ordinary and extraordinary general meetings is a minimum of seven days.

The notice must be sent in the form of a letter to all shareholders with a known address. The notice must state the time and location of the meeting.

Article 12

The ordinary general meeting shall consider and decide on the following matters:

1. Approval of the annual accounts.
2. Allocation of the profit for the year or coverage of loss in accordance with the adopted balance sheet, and the distribution of dividends.
3. Determination of remuneration to the company's elected representatives and auditor.
4. Election of members to the Supervisory Board in accordance with article 6 of the articles of association.
5. Election of a Control Committee in accordance with article 9 of the articles of association.
6. Other matters which, pursuant to law or the articles of association, must be dealt with at the general meeting.

Chapter VIII Nomination Committee

Article 13

All elections conducted by the general meeting or Supervisory Board will be arranged by a Nomination Committee that is elected at the general meeting.

Chapter IX The company's activities

Article 14

The company shall, at all times, have appropriate capital adequacy which satisfies the minimum capital adequacy requirements pursuant to law or regulations issued by the King.

Article 15

The company shall secure funding from:

1. Financial institutions regulated by law.
2. Other Norwegian lenders.

3. Foreign lenders.

Article 16

Loans will be granted based on an overall assessment of security, the borrower's credit rating and earning ability. The Board of Directors shall stipulate more specific guidelines for this.

The company will set interest and loan terms. Loans must be secured in accordance with the applicable regulations for this type of company and the company's credit policy.

Article 17

The Board of Directors shall decide on an adequate liquidity strategy and a set of rules for using hedging instruments.

Chapter X Annual report and accounts

Article 18

The annual report and accounts shall be submitted for each calendar year.

The Board of Directors' proposed annual report and accounts and the auditor's report shall be sent to the Control Committee for a statement and will then be presented to the Supervisory Board. The Supervisory Board shall provide a statement to the general meeting regarding the Board of Directors' proposal for the annual report and accounts.

Chapter XI Transitional provisions

Article 19

These articles of association will enter into force as soon as they are approved by the King.

The articles of association cannot be amended without the approval of the King.