

**TRANSLATION OF  
ARTICLES OF ASSOCIATION  
FOR  
SPAREBANKEN MØRE**

**CH. 1            NAME OF COMPANY. REGISTERED OFFICE. PURPOSE**

**§ 1-1            Name of company. Registered office. Purpose**

Sparebanken Møre (also referred to in this document as 'the Savings Bank') was established on 1 April 1985 through a merger between a number of banks in Møre og Romsdal. Several more banks in Møre og Romsdal have subsequently merged with Sparebanken Møre. The banking operations of the merged savings banks can be traced back to 1843.

A summary of the merged banks is shown in attachment 1 to these articles of association.

The Savings Bank's registered office shall be located in the municipality of Ålesund.

The Savings Bank's purpose is to promote saving by receiving deposits from a wide variety of depositors, deliver financial services to the retail, corporate and public sector, and to manage in a safe manner those funds entrusted to it, in accordance with currently applicable laws, rules and regulations pertaining to savings banks.

The Savings Bank may also offer investment services and associated services in accordance with the Security Trading Act.

Founders or other persons do not qualify as recipients of dividends from the Savings Bank's business operations, except in the case of investment return on Equity Certificates (from now on referred to as ECs in this document).

**CH. 2            PRIMARY CAPITAL**

**§ 2-1            The original primary capital funds**

The original primary capital funds of the subsequently merged savings banks have been repaid, or are non-repayable.

The primary capital funds in the merged banks are listed in Attachment 1 to these articles of association.

**§ 2-2            Equity Certificate-capital**

With consent from the King/Department of Finance, the Board of Trustees may approve to issue Equity Certificates that is tradeable and give the owner the right to receive dividends and meet in the Board of Trustees according to the Financial Institutions Act.

The Savings Bank's EC-capital totals NOK 988,695,400, made up of 9,886,954 ECs of a nominal value of NOK 100 each, fully paid.

## **CH. 3 BOARD OF TRUSTEES**

### **§ 3-1 Board of Trustees**

The Board of Trustees shall ensure that the Savings Bank carries out its operations in accordance with applicable laws, articles of association and the resolutions passed by the Board of Trustees.

The Board of Trustees shall have 44 members and 16 deputy members.

13 members and 4 deputy members shall be elected by the customers, according to § 3-2.

7 members and 4 deputy members shall be elected by the Møre og Romsdal County Council, according to § 3-3.

13 members and 4 deputy members shall be elected by the EC-holders, according to § 3-4.

11 members and 4 deputy members shall be elected by the Savings Bank's staff, according to § 3-5.

Members of the Board of Trustees shall be elected for 4 years.

Deputy members elected by the depositors shall be elected for 1 year. Deputy members elected by staff shall be elected for 2 years. Deputy members elected by the County Council and EC-holders shall be elected for 4 years.

Members due to step down may be re-elected, but reference should still be made to § 10-1.

At least  $\frac{3}{4}$  of the members of the board of trustees shall be persons not employed by the bank.

### **§ 3-2 Customers' elections for the Board of Trustees**

Customers that has and that has had during the last 6 months a deposit of at least NOK 500 in their accounts with the Savings Bank, are to elect members and deputy members according to § 3-1.

Only persons who are of age may, as personal depositors or as representatives of other depositors, vote at the elections. No one may cast more than 2 votes, one on the basis of that person's own deposit and one as the representative of another depositor.

Depositors' election of members and deputy members shall take place on the election day(s) within the municipalities in question in accordance with the rules and regulations stipulated by the King, according to the Savings Bank's Act, § 8a, 5th section.

Elections on election days will take place in the following constituencies:

Summary of constituencies:

<b>Constituency</b>	<b>Comprising the municipalities of</b>	<b>Members</b>	<b>Deputy members</b>
1	Ålesund, Sula, Giske	4	1
2	Hareid, Herøy, Sande, Ulstein, Vanylven, Volda, Ørsta	3	1
3	Haram, Norddal, Sandøy, Skodje, Stordal, Stranda, Sykkylven	3	1
4	Molde, Aukra, Midsund, Rauma, Kristiansund, Tingvoll, Gjemnes	3	1
		13	4

Elections according to this paragraph must have been held by the end of April.

### **§ 3-3 The County Council's elections for the Board of Trustees**

Every four years, the Møre og Romsdal County Council elects the number of members and deputy members required by § 3-1.

Elections according to this paragraph must have been held by the end of January.

### **§ 3-4 The equity capital certificate holders' elections for the Board of Trustees**

The equity capital certificate holders elect as many members of the Board of Trustees as laid down in § 3-1.

The election shall take place in accordance with rules laid down in Regulation no 913 on equity certificates in savings banks, credit unions and cooperative insurance companies dated June 29 2009. § 3-9 in the regulation accounts for the equity certificate holders election to the board of trustees.

The election must be held by the end of April.

### **§ 3-5 Employees' elections for the Board of Trustees**

The employees elect the number of members stipulated by § 3-1.

The elections shall be conducted according to Regulation no 9386, dated December 23, 1977, on the employees representation rights in the steering bodies of savings banks and commercial banks.

The election must be held by the end of January.

## **CH. 4 CONTROL COMMITTEE**

### **§ 4-1 Control Committee**

Every other year, the Board of Trustees elects a Control Committee consisting of 4 members and 2 deputy members.

One member of the committee shall meet the requirements applicable to judges according to law dated 13.8.1915, no. 5, § 54, 2nd section.

The Chairman and Deputy Chairman are elected by the Board of Trustees at special elections.

The Control Committee shall monitor and ensure that the Savings Bank's operations are conducted in compliance with the Savings Bank's Act, § 13, and instructions provided by the Board of Trustees, approved by Finanstilsynet (The Financial Supervisory Authority of Norway – FSAN).

## **CH. 5 BOARD OF DIRECTORS AND THE AUDIT COMMITTEE**

### **§ 5-1 Composition of the Board of Directors**

The Board of Directors consists of 7 members and 4 deputy members elected by the Board of Trustees.

At least 1 of the members shall be elected from amongst the employees. For this member, in appropriate order, 2 personal deputies shall be elected from amongst the employees. One of the two personal deputy members has the right to attend and speak at the meetings. Only members of the Board of Trustees elected by the employees have the right to put forward names in the case of the election of employees' representatives as members and deputy members of the Board of Directors.

The two other deputy members are elected in the appropriate order.

The Chairman and Deputy Chairman are elected by the Board of Trustees at special elections.

All elected members are elected for 2 years and deputy members for 1 year. Of the elected members, half of them step down every year.

Members and deputy members due to step down may be re-elected, but reference should still be made to § 10-1 in this connection.

## **§ 5-2 Meetings of the Board of Directors**

The Chairman of the Board of Directors convenes a meeting as often as the Savings Bank's operations would require it, or when a member of the Board of Directors requests it.

The Board of Directors has a quorum when at least 4 of its members are present. In order for a resolution to be valid, at least 4 members must have voted for it. In the case of a tied vote, the Chairman or the person chairing the meeting has the casting vote.

The Minutes of the Board of Directors' meeting must be signed by all those present, who are jointly responsible, unless some of the members have had their protests annotated in the Minutes of the meeting. Any Board members not present at the meeting must familiarise themselves with the decisions which have been taken in their absence.

## **§ 5-3 The Board of Directors' responsibilities and duties**

The Board of Directors manages the Savings Bank's business. It is the Board of Directors' responsibility to ensure that the funds entrusted to the Savings Bank are managed in a safe and appropriate manner. The Board of Directors must also see to it that the Bank's activities are organised in a satisfactory way. Furthermore, it is the Board's duty to make sure that all accounting systems and procedures as well as asset management activities are subject to reassuringly stringent control and monitoring at all times.

The Board of Directors appoints the Chief Executive Officer. The Board of Directors stipulates instructions for the Chief Executive Officer with special emphasis on operational tasks and responsibilities.

The Board of Directors shall oversee that the bank has well established internal controls to ensure that it operates in compliance with the regulatory environment, including the value foundation of the bank and the ethical guidelines of the bank.

The Board of Directors grants authorizations necessary for the bank to operate.

The Chief Executive Officer on his own or two of the Board of Directors' other members jointly represent and act on behalf of the Savings Bank, their signatures committing the Savings Bank in a legally binding manner.

The Board of Directors may give officers and employees of the Savings Bank signing authorities and special powers of attorney.

#### **§ 5-4            The Board of Directors sub-committees**

The bank shall have the following committees which is to be elected amongst and by the members of the Board of Directors.

- a) Audit Committee
- b) Risk Control Committee
- c) Remuneration Committee

The committees are working committees for the Board of Directors, preparing matters and acting in an advisory capacity. The committees shall at all times execute applicable tasks described in relevant laws and regulations, and in addition any tasks instructed by the Board of Directors.

Each committee must in sum possess the necessary competence, based on the nature of the bank's organisation and business, to carry out the tasks of the committee. The qualifications and competence in the committees must also be in accordance with requirements in laws and regulations.

#### **§ 5-5            The Chief Executive Officer's responsibilities and duties**

The Chief Executive Officer is in charge of the day-to-day management of the Savings Bank and must adhere to the instructions and guidelines stipulated by the Board of Directors. The day-to-day management of the Savings Bank does not comprise decisions in matters which according to the Savings Bank's circumstances are deemed to be of an unusual nature or of great importance.

The Chief Executive Officer shall ensure that the Savings Bank's accounting is done according to applicable laws and guidelines and that the management of the funds entrusted to the Savings Bank is carried out in a reassuringly safe manner.

### **CH. 6            ELECTION COMMITTEES**

#### **§ 6-1            Election Committees for Board of Trustee elections**

The Board of Trustees elects an election committee from amongst the Board of Trustees' members.

The election committee shall consist of 4 members and 4 deputy members and have representatives from all groups represented at the Board of Trustees.

Of the members, 1 shall represent those elected by the depositors, 1 the county council-elected members, 1 the employee-elected members and 1 the EC-holder-related members.

Of the deputy members, 1 shall be from each of these groups.

Every effort shall be made in order to arrive at a geographical composition of the members within the municipalities where the Savings Bank conducts its operations.

The election is valid for 2 years at the time.

Each year, the member(s) who has (have) served the longest steps (step) down.

The election committee shall make all the necessary preparations for the election of the Chairman and Deputy Chairman of the Board of Trustees, the Chairman, Deputy Chairman and other members and deputy members of the Board of Directors, excluding the employees' representatives, the Chairman, Deputy Chairman and other members and deputy members of the Control Committee, as well as the Chairman, members and deputy members of the election committee mentioned in this paragraph.

In the case of the member, with deputy members, of the Board of Directors to be elected from amongst the employees, only the employees' representative on the election committee is allowed to put forward names for election.

The election committee must provide a reasoning for their propositions.

## **§ 6-2 Election Committee for the customers' election for the Board of Trustees**

The customer-elected members of the Board of Trustees elect an election committee.

The election committee shall consist of 4 members and 4 deputy members.

To the extent that it is possible, the election committee shall consist of members and deputy members from all groups of municipalities (regions), as mentioned in § 3-2.

The conditions stated in § 6-1, first section, relating to election period and time of service, apply in a corresponding way.

The election committee shall make all the necessary preparations for the depositors' election of members and deputy members of the Board of Trustees, together with the election of members and deputy members of the election committee, this paragraph to be applicable in this connection.

The election committee must provide a reasoning for their propositions.

**§ 6-3 Election Committee for the EC-holders' election for the Board of Trustees**

The EC-holder-elected members of the Board of Trustees shall elect an election committee.

The election committee shall consist of 3 members and 1 deputy member.

The conditions stated in § 6-1, first section, relating to election period and time of service, apply in a corresponding way.

The election committee shall make all the necessary preparations for the EC-holders' election of members and deputy members of the Board of Trustees, together with the election of members and deputy members of the election committee, this paragraph to be applicable in this connection.

The election committee must provide a reasoning for their propositions.

**CH. 7 THE ANNUAL REPORT AND ACCOUNTS**

**§ 7-1 The Annual Accounts. Reports. Time limits**

The Board of Directors shall ensure that the Annual Report and Accounts are made available to the Auditor and Control Committee.

Once the Auditor has submitted his/her report, reference in this connection to be made to the Auditing Act, § 5-6, and as soon as the Control Committee has produced and presented its report, containing a statement as to whether the Profit and Loss Account and the Balance Sheet may be adopted as the Bank's Annual Accounts, reference in this connection to be made to the Savings Banks' Act, § 13, 7th section, the Board of Directors shall send the Annual Report and Accounts, the Auditor's Report and the Control Committee's Report to all members of the Board of Trustees at least 8 days before the day on which the Board of Trustees will be meeting to discuss the annual financial statements.

The Board of Trustees meets each year as stipulated in the Savings Banks' Act, § 11, 1st section, sub-section b, in order to receive the Annual Report from the Board of Directors, the Auditor's Report and the Control Committee's Report, to adopt the Savings Bank's accounts, and to determine the annual dividend to be paid on the Bank's Ecs and dividend to the local community.

**§7-2 Exception from the requirement of distributing documents**

If documents regarding items to be discussed in the Board of Trustees are made available on the bank's web site, such documents do not have to be distributed by other means to the members of the Board of Trustees or to anyone else that is to receive such documents according to law or these Articles of Association. This will also account for documents that according to law or Articles of Association shall be included or attached the notification of the meeting of the Board of Trustees. A

member of the Board of Trustees or others that according to law shall receive such documents may still demand to receive such documents personally.

## **CH. 8            AUDIT**

### **§ 8-1            Appointment of Auditor. Remuneration. Responsibilities.**

The Board of Trustees shall elect the Auditor and fix his/her remuneration.

If the bank is obliged to set an Audit Committee as stipulated in the Savings Bank Act § 17 c, shall the Audit Committees statement on the Auditor proposition be introduced to the Board of Trustees before the election is held.

If the Auditor were to resign, the Chairman of the Board of Trustees, together with the Control Committee, may appoint another Auditor, who would be acting as the Savings Bank's Auditor until the next meeting of the Board of Trustees, at which time a permanent appointment would be made.

## **CHAP. 9        PROFIT**

### **§ 9-1            Profit. Gifts**

Profits from the bank's operations shall be allocated to the holders of equity capital certificates and the Savings Bank in proportion to the equity certificate capital plus the premium reserve and the primary capital plus the compensation reserve, and in other respects according to the rules pursuant to section 2b-18 of the Financial Institutions Act.

Profit allocated to the bank may be added to the primary capital, used for gifts for purposes benefiting the general public, transferred to a donations fund or transferred to a foundation benefiting the general public.

In allocating profit and dividend funds, importance shall be attached to not substantially altering the ratio between primary capital and equity certificate capital.

## **CH. 10         LENGTH OF SERVICE. AGE LIMIT**

### **§ 10-1         Limited length of service relating to elected representatives**

An elected member, or a Chairman of the Board of Trustees or Control Committee or Board of Directors, may not hold such office for a continuous period of time of more than 12 years, nor may he/she hold such office for a total period of more than 20 years.

A person may not be elected or re-elected to any of these posts if he/she, due to the abovementioned rule, is unable to serve for the full time of the election period involved.

**§ 10-2 Retirement age for employees**

The highest retirement age for the Savings Bank's employees is 67 years.

**CH. 11 CHANGES IN ARTICLES OF ASSOCIATION**

**§ 11-1 Changes in articles of association**

Changes to these articles of association may be made by the Board of Trustees provided proposals in this respect have been submitted at an earlier meeting.

Such a resolution is valid if at least two thirds of those present and no fewer than half of all members of the Board of Trustees vote for the proposal.

Such a resolution may not be implemented until it has been approved by Finanstilsynet (The Financial Supervisory Authority of Norway – FSAN).

**§ 11-2 The coming into effect of the Savings Bank's articles of association**

These articles of association come into force once they have been duly approved in accordance with the Savings Banks' Act, § 5, last sub-section.

From the same time, the Savings Bank's existing articles of association are terminated.

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The articles of association were adopted by the Board of Trustees at its meeting on 18 January 1985, with subsequent changes dated: 13 September 1985, 2 December 1987, 19 February 1988, 21 June 1989, 6 March 1991, 19 November 1992, 27 October 1993, 18 February 1994, 19 October 1994, 18 November 1994, 16 February 1996, 24 April 1998, 29 June 1998, 5 March 1999, 26 April 2000, 20 April 2005, 1 December 2006, 25 April 2007, 14 March 2008, 29 October 2009, 19 March 2010, 26 November 2010, 9 May 2011, 4 July 2013 and 28 November 2014.

These articles of association have been approved by FSAN, on the last occasion on 22 December 2014.

## ATTACHMENT 1

### ATTACHMENT TO SPAREBANKEN MØRE'S ARTICLES OF ASSOCIATION

On 1 April 1985, Sparebanken Møre established a merger of the banks mentioned in the first column below. In the other columns, the following information is stated: the date of establishment of the merged banks, earlier merged banks, the date of establishment of these banks, the dates on which the mergers took place, and the amounts of the original primary capital funds.

<b>Banks</b>	<b>Date of establishment</b>	<b>Merged with</b>	<b>Date of establishment</b>	<b>Date of merger</b>	<b>Original primary capital funds</b>	<b>Merged with SBM</b>
Borgund Sparebank	10.04.1880				NOK 1,300, provided by private investors, has been repaid.	01.04.85
		Skodje og Vatne Sparebank	22.10.1861	01.01.1966	305 'daler' og 24 'skilling' , provided by Skodje og Vatne Sogns Magasinfond, is non-repayable.	
		Herøy og Leikong Sparebank	27.05.1843	01.11.1979	115 'spd.' og 11 'skilling', provided by private investors and donation through the sale of Herø Sogns Magasinhus, is non-repayable.	
		Sande og Rovde Sparebank	19.02.1898	01.11.1980	NOK 2,400, provided by private investors, the municipality of Sande (5/7) and the municipality of Rovde (2/7), has been repaid.	
		Stordal Sparebank	03.04.1897	01.04.1981	NOK 2,000, provided by private investors, has been repaid.	
		Vigra Sparebank	11.11.1912	01.07.1983	NOK 6,275, provided by private persons and guaranteed up to NOK 3,725 by the parish of Vigra, has been repaid.	

Haram Sparebank	15.08.1868				411 'spd.', provided by private investors in Haram and Vigra, has been repaid.	01.04.85
Hareid Sparebank	07.06 1927				NOK 12,480, provided by persons domiciled in the municipality of Hareid, has been repaid.	01.04.85
Norrdal Sparebank	November 1870				NOK 1,200, provided by the municipality of Norrdal, is repayable if the savings bank operations were to discontinue.	01.04.85
Stranda Sparebank	24.06.1848				104 'spd.' and 34 'skilling' (NOK 417), provided by the owners through the sale of Stranda Kornmagasin, is non-repayable.	01.04.85
		Geiranger Sparebank	31.03.1866	01.01.1972	69 'spd.' and 2 'ort', provided by the inhabitants of Geiranger, is non-repayable.	
Sykkylven Sparebank	28.06.1862				300 'spd.', provided by the municipality of Sykkylven, is non-repayable.	01.04.85
Ulstein Sparebank	03.06.1927				NOK 10,450, provided by persons domiciled at Ulstein, has been repaid.	01.04.85
Aalesunds Sparebank	05.01.1910				NOK 21,000, provided by 123 different contributors, has been repaid.	01.04.85
		Aalesunds Håndverkeres Sparebank	12.01.1926	01.03.1955	NOK 5,500, provided by voluntary contributions, has been repaid.	
		Aaheim Sparebank	30.06.1926	01.06.1963	NOK 5,000, provided by voluntary contributions, has been repaid.	

		Vanylven og Syvde Sparebank	01.01.1861	30.06.1965	300 'spd.', provided by voluntary donations, is non-repayable.	
		Sunnylven Sparebank	06.04.1865	01.07.1975	300 'spd.', provided by voluntary donations, is non-repayable.	
		Vestnes Sparebank	19.01.1861	01.04.1979	300 'spd.', provided by Vestnes og Syltes Sognes Kornmagasin, is non-repayable.	
		Voll Sparebank	30.05.1928	01.03.1984	NOK 5,000, provided by the former municipality of Voll, has been repaid.	

**The following savings banks have subsequently merged with SPAREBANKEN MØRE:**

Sandøy Sparebank	09.07.1911				NOK 3,500, provided by the municipality of Sandøy and private contributors, has been repaid.	01.01.1986
Sparebanken Romsdal	20.06.1983					01.01.1990
		Aukra Sparebank	27.11.1939		NOK 33,000, provided by the Treasury/the Ministry of Finance (1/3), Norges Bank (1/3) and voluntary contributors in Aukra (1/3), has been repaid.	
		Eids Sogn Sparebank	26.05.1877		NOK 1,289.60, provided by the inhabitants of the former municipality of Eid, has been repaid.	
		Isfjorden Sparebank	20.12.1926		NOK 22,500, provided by Isfjordens Privatbank, has been repaid.	

		Molde Sparebank merged with:	09.07.1928		NOK 27,500, provided by voluntary contributors, has been repaid.	
		Bolsøy Sparebank merged with:	02.05.1863	1968	100 'spd.', provided by the granary owners in Bolsøy, is non-repayable.	
		Bolsøy Sparekasse and:	17.12.1881	1966	Primary capital fund provided by Bolsøy Spare- og Låneinretning (savings- and loan organisation), is non-repayable.	
		Nesjustranda Sparebank	29.12.1926	1966	NOK 24,608.92, provided by Nesjustrandens Privatbank A/S, has been repaid.	
		Oterøy Sparebank	1913		NOK 2,000, provided by the municipality of Aukra, is non-repayable.	
		Rauma Sparebank	1877		NOK 2,400,-, provided by the municipalities of Grytten and Voll, is non-repayable.	
		Romsdal Sparebank	30.12.1929		NOK 55,825.59, provided by private contributors, has been repaid.	
		Veøy Sparebank	17.07.1858		NOK 1,400, provided by Veøy og Vågstranda Kyrkeiere, NOK 1,000, and Rødven Sogn Magasineiere, NOK 400, is non-repayable.	
Tingvoll Sparebank acquired by Sparebanken Møre	06.04.1902			2009	NOK 3,100, provided by voluntary contributors, has been repaid.	01.09.2009
		Gjemnes Sparebank	1922	20.11.1999	NOK 27,500, provided by 94 Contributors in the municipality of Gjemnes, has been repaid.	

		Øksendal Sparebank	30.11.1919	08.05.2007	NOK 2,000, provided by contributors in the municipality of Øksendal, has been repaid.	
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