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 **Minutes of the Board of Trustees**

**Sandnes Sparebank**

**Board of Trustees’ meeting on Monday 14 November at 7.30pm**

**Meeting no. 2**

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**Agenda:**

1. Amendments to the Articles of Association, with instructions
2. Roles of procedure of the Board of Directors and instructions for the managing director – information
3. Authorisation granted to the Board of Directors by the Board of Trustees regarding issuing of equity capital instruments
4. Information on the bank’s operations

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A notice of meeting complete with the agenda was dispatched by letter dated 31 October 2016.

The chair of the Board of Trustees, Ørjan Gjerde, welcomed the attendees and chaired the meeting.

A total of 37 persons eligible to vote attended the meeting.

There were no comments on the agenda or the notice of meeting.

Arne Oftedal and Bodil Sunde were elected to sign the minutes.

**1. Amendments to the Articles of Association, complete with instructions**

The proposal for amendments to Articles of Association with instructions was considered for the second time.

The Board of Trustees made the following unanimous resolution:

“The Board of Trustees approves the new Articles of Association and voting instructions”.

The resolution is contingent on the Financial Supervisory Authority of Norway’s approval.

**2. The roles of procedure of the Board of Directors and instructions for the managing director**

Sune Madland, Acting Managing Director, accounted for the amendments that have been made to these two instructions.

The Board of Trustees made a note of this information.

**3. Authorisation from the Board of Trustees to the Board of Directors to issue equity capital instruments**

The wording of the resolution deviates from the wording that was dispatched to the members of the Board of Trustees along with the presentation of the case on 31 October 2016. Information was provided in the meeting on the background to the deviation of the wording and the fact that the new wording does not extend the authorisation beyond the original wording.

The case presentation dated 31 October 2016 contained a factual inaccuracy. This inaccuracy stated that the Sandnes Sparebank Board of Directors had held such authorisation previously. It is pointed out that the Board of Directors has not previously had such authorisation.

The Board of Directors will request the Board of Trustees’ authorisation to made capital expansions of the equity of up to 10% of the issued equity share capital. The Board of Trustees authorises the Board of Directors to increase the bank’s registered equity share capital by up to NOK 115,000,000 (MNOK 115) by means of one or more issuances

1. The authority may not be used to obtain higher gross issue proceeds than NOK 115,000,000 (MNOK 115).

2. The authorisation is limited upward to 2,301,490 equity capital instruments each with a nominal value of NOK 10 and a total nominal value of NOK 23,014,900. This is 10% of the savings bank’s total issuance of equity capital instruments.

3. The Board of Directors is free to determine the final subscription price and to determine the number of equity capital instruments to be issued.

4. The Board of Directors determines amendments to the Articles of Association when exercising the authorisation.

5. The authorisation is in force for two years.

6. The authorisation is contingent of the Financial Supervisory Authority of Norway’s approval and shall be registered in the Register of Business Enterprises.

7. Any capital increase in accordance with the authorisation may be conducted in the manner and at the time deemed appropriate by the Board of Directors.

8. The authorisation entitles deviation from the owners of equity capital instruments’ pre-emptive rights to subscribe for new equity capital instruments pursuant to section 10-10(3) of the Norwegian Act on Financing Activity and Financial Institutions (Financial Institutions Act).

9. Non-cash assets shall not be used as settlement for owners’ equity contributions and the authorisation does not comprise the right to cause the bank to incur special obligations, cf. section 10-2 of the Limited Liability Companies Act.

10. The authorisation also does not cover capital increases in relation to mergers.

The Board of Directors confirm that no events of significance to the bank have occurred after the last presented financial report which have not been addressed in notices to the stock exchange, which are accessible at the bank’s home page. The most recently presented annual accounts, annual report and auditor’s report are available at the company’s office.

The motion was carried with 34 votes in favour, 2 votes against and 1 abstention.

**4. Information on the bank’s operations**

Sune Madland, Acting Managing Director, made a statement on the developments of Sandnes Sparebank in 2016 and the strategy ahead.

The chair of the Board of Trustees thanked the attendees for participating in the meeting.

 The minutes were approved, Sandnes, 14 November 2016.

Ørjan Gjerde Arne Oftedal Bodil Sunde

Ørjan Gjerde (sign.) Arne Oftedal (sign.) Bodil Sunde (sign.)