

Note 42 - Subsequent events

Guarantee agreement with BN Bank

On 1 February 2012 an agreement was signed whereby BN Bank waived its guarantee in respect of NOK 2.4bn of the portfolio, with the consequent lapse of the guarantee commission for this part of the portfolio with effect from the same date. This leaves NOK 0.7bn in the guarantee portfolio. The guarantee will run for three years.

Stock issues

The Bank's Board of Directors has resolved to recommend the Supervisory Board to approve a rights issue of up to NOK 750m in favour of existing owners, a placing of up to NOK 60m with employees of the Group and a placing of up to NOK 200m mainly with the foundation Sparebankstiftelsen SpareBank 1 SMN. The Board of Directors also recommends transferring parts of the ECC capital prescribed by the articles of association to the Bank's ECC premium reserve by way of a change in the nominal value of the Bank's ECC from NOK 25 to NOK 20.

Investment in real estate

SpareBank 1 SMN has signed an agreement to purchase Kongensgate no. 2 in Trondheim for NOK 71m plus overheads. The seller is Trondheim municipality and the takeover date is 1 March 2012. The property is being purchased for the Group's own use, but will be rented to Trondheim municipality for a period.