

KREDITILSYNET - NORWAY

This translation is for information purposes only. The original Norwegian version as published in "Norsk Lovtidend" is the authoritative legal text.

Act no. 78 of 29 November 1991 on the Government Bank Investment Fund as amended, last by Act no. 1 of 8 January 1993

Section 1 Purpose

The purpose of the Government Bank Investment Fund (the Investment Fund) is to contribute capital to Norwegian banks based on commercial considerations. Acquisitions as mentioned in section 5, first paragraph, litera f and g, may in special cases be implemented without their being based on commercial considerations.

Section 2 Capital of the Investment Fund

The Investment Fund's capital is appropriated by the Storting. The Fund is owned by the State. The King stipulates the annual return on the capital which is paid to the State.

Section 3 Organisation and management

The Investment Fund is an independent legal entity. The State's responsibility for the Investment Fund is limited to the capital held by the Fund at any time.

The Investment Fund is managed by a board of three members. The King appoints the members and nominates the chairman and vice chairman of the Fund for a term of three years. Board members may be reappointed.

The King lays down articles of association for the Investment Fund.

Section 4 Administration of the resources of the Investment Fund. The King's power of instruction, etc,

The board is responsible for the administration of the Investment Fund's resources. Before the board adopts a resolution regarding the application of resources, or disposal of assets, the matter shall be submitted in writing to the Ministry.

The King may in special instances instruct the board in individual cases. The board shall have an opportunity to state its opinion before the King adopts a resolution to instruct the board. The Storting shall be informed of the content of the King's resolution.

Section 5 Activity of the Investment Fund

The Investment Fund's resources may be applied for the following purposes:

- a Acquisition of new shares issued by Norwegian commercial banks.
- b Acquisition of new primary capital certificates issued by Norwegian savings banks.
- c Loans to Norwegian commercial and savings banks which may be regarded as capital.
- d Interest-bearing deposits with the Treasury.
- e Payment of return on capital to the Treasury.
- f Acquisition of shares and primary capital certificates in Norwegian banks from the Government Bank Insurance Fund.
- g Takeover from the Government Bank Insurance Fund of loans to Norwegian banks which may be regarded as capital.

The Investment Fund may not raise loans or furnish guarantees in respect of others' debts. The Investment Fund may nevertheless furnish guarantees in connection with Norwegian banks' issues of shares, primary capital certificates and subordinated loan capital. The Investment Fund may assume such debts as are necessary in connection with the management and administration of the activity of the Fund.

Section 6 Annual financial statement

The Investment Fund shall each year prepare a financial statement which is to be sent to the Ministry by the end of March and forms the basis for information from the Ministry to the Storting.

The financial statement shall comprise the profit and loss account, balance sheet and annual report. The provisions of chapter 11 of the Companies Act apply *pari passu* insofar as they are appropriate.

Section 7 Audit

The Investment Fund's accounts are audited by the Office of the Auditor General.

Section 8 Relationship to the provisions of the Public Administration Act

The Public Administration Act, Civil Service Act and Government Service Dispute Act do not apply to the Fund.

The rules of the Public Administration Act concerning disqualification and confidentiality nevertheless apply to the officers and any employees of the Fund. The duty of confidentiality does not apply to the disclosure of information to the Ministry, the Banking, Insurance and Securities Commission and Norges Bank.

Section 9 Winding up, conversion

The King may decide that the Investment Fund shall be wound up or converted. In such case all or parts of the Investment Fund's capital may revert to the Treasury. Any decision to this effect shall be approved by the Storting.

Section 10 Supplementary rules

The King may by regulation lay down further rules for the Investment Fund. The board shall have an opportunity to state its opinion on such regulations.

Coming into force and transitional provisions

This Act comes into force on such date as the King decides.

Different parts of the Act may be given effect at different times.

The Ministry may lay down further transitional rules.