

Annual General Meeting 2016 of P/F BankNordik

P/F BankNordik's Annual General Meeting 2016 will be held on **Wednesday 30 March 2016 at 5 pm GMT**, at Hotel Føroyar in Tórshavn, Faroe Islands.

Agenda

1. The Board of Directors' report on the Bank's activities during the past year
2. Presentation and adoption of the Annual Report for 2015 including the annual accounts with the auditors' report
3. Resolution on the distribution of profit in accordance with the adopted annual accounts
4. Election of members to the Board of Directors
 - a. The Board of Directors proposes that the General Meeting elects four Board Members to the Board of Directors
 - b. Election of members to the Board of Directors
5. Election of auditor(s)
6. Proposals from the Board of Directors
 - a. Remuneration policy
 - b. Purchase of own shares
7. Proposal from the Remuneration Committee
 - a. Remuneration of the Board of Directors for 2016
8. Proposals from the Financing Fund of 1992 and the Board of Directors
 - a. Proposal to revoke the quorum-requirement in section 9.2. of the Articles of Association
 - b. Proposal on amendment of section 12.1. of the Articles of Association
 - c. Proposal on amendment of section 12.2. of the Articles of Association
9. Any other business

Re. agenda item 1

Under this item the Board of Directors will report on the Bank's activities during the past year.

Re. agenda items 2 and 3

The Board of Directors proposes that the General Meeting adopts the Annual Report for 2015 including the annual accounts and proposes that the total dividend for 2015 is DKK 20,000,000 corresponding to DKK 2.00 for each share of DKK 20.

Re. agenda item 4 a

According to Article 10 subsection 2 of the Bank's Articles of Association the General Meeting shall elect a Board of Directors consisting of 4 (four) to 6 (six) directors to hold office until the next annual general meeting. At the date of convening the Annual General Meeting, 4 candidates are nominated to the Board of Directors.

Re. agenda item 4 b

Stine Bosse, Rúni Vang Poulsen, Jógvan Jespersen and Súsanna Poulsen have accepted nomination for re-election as members of the Board of Directors.

The Board of Directors proposes re-election of Stine Bosse, Rúni Vang Poulsen, Jógvan Jespersen and Súsanna Poulsen as members of the Board of Directors.

For a description of the nominated candidates' qualifications, including information about other executive functions held by the proposed candidates, please see appendix 1. Also, a description is available at the Bank's website www.banknordik.com

Re. agenda item 5

The Board of Directors proposes re-election of Januar, læggilt grannskoðanarvirki P/F (authorized audit company), and re-election of PricewaterhouseCoopers Denmark Statsautoriseret Revisionspartnerselskab as external auditors.

Re. agenda item 6 a

According to section 4 subsection 1 of executive order for the Faroe Islands regarding remuneration policy and duties to make disclosures regarding remuneration in financial institutions (executive order no. 901 from July 13th 2015) the Board of Directors shall determine a remuneration policy applicable for the Board of Directors, Executive Board and other employees

which field of activity is considered to have significant influence on the Bank's risk profile.

In 2015 the Board of Directors has evaluated the Bank's remuneration policy and made some adjustments concordant with regulatory requirements and the Bank's course.

In accordance with section 77d, subsection 1 of the Financial Business Act, the remuneration policy is presented for the annual general meeting for approval.

Re. agenda item 6 b

The Board of Directors proposes that the annual general meeting, in accordance with section 198 of the Companies Act, in the period until March 30, 2019 entitles the Board of Directors to let the Bank purchase own shares up to a nominal value of DKK 20.000.000. The purchase cost must not deviate by more than 10 pct. from the registered bid price for the Bank's shares on Nasdaq Copenhagen at the time of purchase.

Re. agenda item 7 a

The Remuneration Committee proposes that the remuneration of the Board of Directors for 2016 remains unchanged.

In this respect, the Remuneration Committee proposes that the Annual General Meeting adopts that the remuneration of the Board of Directors is paid in accordance with the Bank's remuneration policy, adopted by the Annual General Meeting in March 2016, based on the following rates:

Base fee:	DKK 200,000
Chairman of the Board:	3 x base fee
Vice-chairman of the Board:	2 x base fee
Other Board Members	1 x base fee

Re. agenda item 8 a

The Financing Fund of 1992 proposes to revoke the quorum requirement in section 9.2. of the Articles of Association when the annual general meeting decides on the Board of Director's proposals marked 8 b and 8c.

Re. agenda item 8 b

The Board of Directors proposes to replace the existing clause 12.1. of the Articles of Association with the following: *"The Bank shall be bound by the joint signature of all directors, by the joint signatures of the chairman and vice chairman of the board of directors, or by the joint signatures of the chairman or the vice chairman of the board of directors together with a member of the executive*

management board or a member of the board of directors.

Re. agenda item 8 c

The Board of Directors proposes to replace the existing clause 12.2. of the Articles of Association with the following: *"The Board of Directors is entitled to submit authorities to bind the company and to assign distinct power of attorneys."*

Ordering of admission cards and voting forms

A shareholder's right to attend and vote at the general meeting shall be determined by the shares held by such shareholder on the record day. The record day is Wednesday March 23, 2016.

Any shareholder who is entitled and wishes to attend the general meeting shall order admission cards and voting forms.

Admission cards and voting forms are to be ordered through the Bank's website www.banknordik.com or by calling the head office at (+298) 330 330.

The deadline for ordering of admission cards and voting forms is Friday 25 March 2016 at 4 pm. GMT.

When ordering admission card and voting form, shareholders must provide prove of their shareholdings. As for shareholders who are not registered by name, admission cards and voting forms are issued upon presentation of a transcript from VP Securities A/S or the account-holding institution (custodian institution), which must not be more than 5 days old, as documentation of the shareholding. Together with the transcript a confirmation must be given in writing, stating that the shares have not been transferred and will not be transferred to others before the record day.

Proxy

Proxy forms are available at the Bank's website www.banknordik.com and at the Bank's head office. Shareholders who are unable to attend the General Meeting may grant proxy.

Shareholders may submit a proxy to the Bank's Board of Directors to vote on behalf of the shareholder. A written, signed and dated proxy form must be received at the Bank's head office in Oknarvegur 5, P.O. Box 3048, FO-110 Tórshavn, no later than Friday 25 March 2016 at 4 pm GMT.

Votes by correspondence

Voting by correspondence forms are available on the Bank's website www.banknordik.com. If shareholders wish to vote by correspondence the

voting form must be received at the Bank's head office in Oknarvegur 5, P.O. box 3048, FO-110 Tórshavn no later than Tuesday 29 March 2016 at 4. Pm GMT.

Annual Accounts 2015 and agenda including complete proposals

Audited annual accounts for 2015 with auditor's report and the Annual Report for 2015, the agenda including the complete proposals as well as the total number of shares and voting rights at the date of the meeting notice, will be available at the Bank's head office and on the Bank's website www.banknordik.com no later than three weeks prior to the General Meeting.

Majority requirements, share capital, voting rights and account-holding financial institution

All proposals on the agenda may be adopted by a simple majority of votes, cf. Article 9.2 of the Articles of Association.

The Bank's share capital is DKK 200,000,000 divided into shares of DKK 20. Each share of DKK 20 carries one vote at the general meeting. However, certain voting limitations apply cf. Article 8.3 of the Articles of Association.

The company's Articles of Association contain the following Articles on voting rights:

8.1. A shareholders right to attend a general meeting and vote according to his shares shall be determined by the shares which such shareholder owns at the record date. The record date shall be one week prior to the general meeting.

8.2. Any shareholders who are entitled to attend the general meeting cf. article 8.1, and who wants to attend, shall apply for an admission card and vote not later than three days prior to the holding of the general meeting.

8.3. Each share shall carry one vote. However, no shareholder may, neither in respect of his own shares nor when acting as proxy for other shareholders, cast votes representing more than 10 % (ten per cent) of the total share capital, regardless of the shareholding. Proxy votes given to the board of directors shall be subject to no restrictions. Shareholders in the same group, as defined by applicable law, may not cast votes

representing more than 10 % (ten per cent) in aggregate of the total share capital, regardless of the shareholding.

8.4. All shareholders are entitled to attend general meetings in person, accompanied by an advisor, or by proxy, who may vote on their behalf, subject to presentation of a written and dated instrument of proxy issued for a maximum period of one year.

9.2 All business transacted at general meetings shall be decided by a simple majority of votes, unless a qualified majority is required by the Companies Act or by these Articles of Association.

Any resolution to amend these Articles of Association or to wind up the Bank by voluntary liquidation or to adopt a merger shall be subject to no less than 2/3 (two-thirds) of the share capital being represented at the general meeting and the proposed resolution being adopted by 2/3 (two-thirds) of the votes cast and of the voting share capital represented at the general meeting.

9.3 Any proposal to amend or revoke the quorum requirement in Article 9.2 submitted by Finansieringsfonden af 1992 may be adopted by 2/3 of both the votes cast and of share capital represented at the general meeting. For the purpose of voting on such proposal submitted by Finansieringsfonden af 1992, the restrictions on voting rights and voting by proxy in Article 8.3 and the quorum requirements in Article 9.2 shall not apply.

P/F BankNordik has entered into cooperation agreement with VP Securities A/S. The Bank's shareholders may choose P/F BankNordik as the account-holding institution with a view to exercise their financial rights through P/F BankNordik.

P/F BankNordik
The Board of Directors