

31 July 2009

**Nasdaq OMX Nordic Stock exchange Copenhagen and  
Nasdaq OMX Nordic Stock exchange Iceland****Announcement 18/2009****Extraordinary General Meeting – P/F Føroya Banki**

Notice to convene Extraordinary General Meeting for P/F Føroya Banki on **Friday 21 August 2009 at 5 p.m.** at Hotel Føroyar in Tórshavn.

**Order of admission cards and voting ballots**

Admission cards and voting ballots are to be ordered through the Bank's website [www.foroya.fo](http://www.foroya.fo) or by calling the Head Office on (+298) 330 330. The deadline for ordering of admission cards and voting ballots is Monday 17 August 2009 at 4 p.m.

In the case of a shareholder being unable to attend the General Meeting there is the possibility of voting by proxy. For this purpose, letters of credence are available to download on the Bank's website [www.foroya.fo](http://www.foroya.fo) or by request at the Bank's Head Office at Húsagøta 3 in Tórshavn. It is possible for shareholders to submit proxy to the Bank's Board of Directors to vote on the shareholder's behalf.

When ordering admission card and voting ballots, shareholders must prove their shareholding. Regarding shareholders whose shares are not registered by name, admission cards and voting ballots are supplied on presentation of a, not older than 5 days, transcript from Værdipapircentralen A/S or the account-holding institution (custodian institution) as documentation of the shareholding. Together with the transcript a confirmation must be given in writing, stating that the shares have not and will not be transferred to others before the General Meeting has been held.

**Agenda**

- 1. Proposal from the Board of Directors to authorise the Board of Directors of the Company to obtain hybrid tier 1 capital according to the Act on governmental capital infusion into credit institutions.**

*>>According to section 43 in the Companies Act the general meeting authorises the Board of Directors of the Bank to – in one or several sections – to obtain a secured loan with a right to interest yield, where the interest is linked to the dividend of the Bank's shares or to the Bank's profit (hybrid tier 1 capital), depended on that the Bank's total hybrid tier 1 capital does not exceed 35 pct. of the Bank's core capital. This authorisation is valid until the Bank's next annual general meeting.<<*

## 2. Election of members to the Board of Directors

The members of the board of directors shall be elected by the general meeting, except those members who are elected pursuant to the statutory provisions on employee representation on the board of directors.

According to the Articles of Association, Article 10, paragraph 2, the General Meeting elects 4 to 6 Board members that are members of the Board until the next Annual General Meeting.

The current 4 Board members, previously elected by the General Meeting, are up for election.

The Board of Directors recommends that the general meeting votes for re-election of the current 4 Board members.

## 3. Other.

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### Agenda containing all proposals

Agenda containing all proposals will be made available at the Bank's Head office in Húsagøta 3 in Tórshavn no later than 8 days prior to the General Meeting.

### Share capital, voting rights and account-holding financial institution

The Bank's share capital totals DKK 200m distributed in shares worth DKK 20. The Bank's Articles of Associations contains these regulations on voting rights:

*8.2 All shareholders having requested an admission card and a ballot paper no later than 5 days before the date of any general meeting are entitled to vote at the 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% 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, shall not cast votes representing more than 10% 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 of the share capital being represented at the general meeting and the proposed resolution being adopted by 2/3 of the votes cast and of the voting share capital represented at the general meeting.*

*9.3 Any proposal to amend or waive the quorum requirement in Article 9.2 submitted by the Financial Fund of 1992 may be adopted by 2/3 of both the votes cast and of share capital represented at the general meeting. The restrictions in Article 8.3 and Article 9.2 on voting and proxy shall not apply in this case.*

P/F Føroya Banki has entered into a coordinative agreement with Værdipapircentralen A/S. The Bank's shareholders may choose P/F Føroya Banki as the account-holding institution in regards to executing the financial rights through P/F Føroya Banki.

**P/F Føroya Banki**  
Board of Directors

Further information:

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