

FINANSTILSYNET

The Financial Supervisory Authority of Norway

Translation as of August 2018

This translation is for information purposes only. Legal authenticity remains with the official Norwegian version (lov om Bankenes sikringsfond) available at www.lovdata.no.

23 March 2018 No. 3, into force 1 January 2019

Act on the Norwegian Banks' Guarantee Fund

Section 1 *Organisational matters*

(1) The Norwegian Banks' Guarantee Fund is a legal entity in its own right. The Norwegian Banks' Guarantee Fund shall be notified to the Register of Business Enterprises.

(2) The Norwegian Banks' Guarantee Fund shall have a board of directors, appointed by the Ministry of Finance. The board of directors is the Fund's highest authority and represents the Norwegian Banks' Guarantee Fund externally.

(3) The day-to-day management of the Norwegian Banks' Guarantee Fund shall be in the charge of a business manager appointed by the board of directors and approved by the Ministry of Finance. The board of directors may establish instructions for the business manager.

(4) The activity of the Norwegian Banks' Guarantee Fund shall be organised and operated in a proper manner. The business manager shall see to it that the Fund has staff who collectively have the qualifications and experience required for the activity of the Fund to be conducted in a proper manner, and that proper management and control systems are put in place. The business manager shall see to it that job descriptions setting out the employees' duties and responsibilities, and rules governing reporting and administrative procedures, are established.

(5) The Norwegian Banks' Guarantee Fund has an independent legal capacity to sue and be sued under section 2-1, subsection 1(f), of the Dispute Act.

Section 2 *Functions*

(1) The Norwegian Banks' Guarantee Fund shall carry out administrative functions and tasks related to the deposit guarantee scheme and the deposit guarantee fund in accordance with the provisions of the Financial Institutions Act 2015, chapter 19.

(2) The Norwegian Banks' Guarantee Fund shall manage the resources of the resolution financing arrangement and may carry out other administrative tasks with respect to the resolution financing arrangement in accordance with the provisions of section 20-56 of the Financial Institutions Act 2015. The same applies to the resources of the Norwegian Investor Compensation Scheme insofar as appropriate. Costs incurred in carrying out tasks for the resolution financing arrangement and the Norwegian Investor Compensation Scheme shall be charged to the resolution financing arrangement and the Norwegian Investor Compensation Scheme.

(3) The Norwegian Banks' Guarantee Fund shall provide assistance to Finanstilsynet in accordance with section 20-3, subsection (3), of the Financial Institutions Act 2015.

Section 3 *Board of directors*

(1) The board of directors shall have seven members appointed by the Ministry of Finance. Alternates may be appointed.

(2) Members and alternates shall be appointed to the board for a two-year term. The ministry may hold interim elections and in special cases change the composition of the board.

(3) Minutes shall be kept of the board's proceedings.

(4) The Public Limited Liability Companies Act section 6-17 applies *mutatis mutandis* to the board of directors.

(5) The Ministry of Finance may lay down instructions for the board of directors, including rules governing administrative procedure, delegation of tasks and matters to be submitted to the Ministry of Finance, Finanstilsynet or Norges Bank prior to a decision being taken.

Section 4 *Own funds*

The Norwegian Banks' Guarantee Fund's own funds consist of resources passed to the deposit guarantee fund.

Section 5 *Collaborative arrangements*

(1) The Norwegian Banks' Guarantee Fund shall establish procedures for collaboration, coordination and information exchange with Finanstilsynet and Norges Bank. The Ministry of Finance may establish further rules for such procedures.

(2) Should Finanstilsynet or Norges Bank become aware of circumstances at a member institution which may lead to liability for the deposit guarantee arrangement, they shall notify the Norwegian Banks' Guarantee Fund thereof immediately.

(3) The Norwegian Banks' Guarantee Fund may enter into a coordination agreement with a guarantee scheme for bank deposits in another EEA member state.

Section 6 *Accounts and audit*

(1) The Norwegian Banks' Guarantee Fund shall each year prepare and present an annual report and annual financial statements for the deposit guarantee fund which shall be dispatched to the Ministry of Finance, Finanstilsynet and Norges Bank.

(2) The Norwegian Banks' Guarantee Fund shall have an auditor who is appointed by the Ministry of Finance. The auditor's remuneration shall be determined by the Ministry of Finance.

Section 7 *Relationship to other legislation*

(1) The Freedom of Information Act and the Public Administration Act apply to the Norwegian Banks' Guarantee Fund. Section 15, subsections (1) and (3), of the Public Administration Act apply

mutatis mutandis to the Norwegian Banks' Guarantee Fund's correspondence with the Ministry of Finance, Finanstilsynet and Norges Bank.

(2) The duty of secrecy pursuant to section 13 of the Public Administration Act does not apply to the Ministry of Finance, Finanstilsynet or Norges Bank. The Ministry of Finance may by regulations make rules to delimit the duty of secrecy.

Section 8 *Supplementary provisions*

(1) The Ministry of Finance may by regulations make rules concerning the Norwegian Banks' Guarantee Fund and its activity, including rules on accounting and auditing matters.

Section 9 *Entry into force and transitional provisions*

(1) This Act shall apply as from the date determined by the King.

(2) The Ministry of Finance may make transitional provisions.