

**Articles of Association
for
Skjern Bank A/S
6900 Skjern
Denmark
CVR / VAT NO. 45 80 10 12**

Name, Registered Office and Object

§ 1

1. The bank's name shall be Skjern Bank A/S.
2. The bank's registered office shall be located in the Municipality of Ringkøbing-Skjern.

§ 2

The object of the company shall be to carry on banking and any other activities permitted by the Danish legislation in force at any given time.

The Bank's Capital and Shares

§ 3

1. The bank's share capital shall be DKK 192,800,000.00, distributed on shares at nom. DKK 20.00 and multiples hereof. The Board of Directors shall be authorised to change the denomination of the shares within a framework of DKK 20.00 to DKK 1.00 per share.
2. The Board of Directors shall - until the 30th September 2017 - be authorised to increase the bank's share capital by up to nominal DKK 80,000,000.00.
The capital increase can be accomplished by one or more increase by payment in cash at a rate, which is provided by the Board of Directors.
The rate cannot be lower than the market rate at the date of issue.
The capital increase shall be without pre-emption right to the existing shareholders of the bank.
The new shares shall be negotiable instruments, and the new shares must be registered in the name of the shareholder in the bank's register of shareholders.
No restrictions shall apply to the negotiability of the new shares cf. though paragraph 4 and 5 in the Articles of Association, and no shareholder shall be under an obligation to let his shares be redeemed in full or in part.
The new shares shall be subject to the same restrictions and moreover have the same rights as the existing share capital from the time the increase of the share capital has been registered in the Danish Business Authority.
3. The Board of Directors shall - until the 30th September 2017 - be authorised to increase the bank's share capital by up to nominal DKK 205,000,000.00.
The capital increase can be accomplished by one or more increase by payment in cash at a rate, which is provided by the Board of Directors.
The rate cannot be lower than par.
The capital increase shall be with pre-emption right to the existing shareholders of the bank.
The new shares shall be negotiable instruments, and the new shares must be registered in the name of the shareholder in the bank's register of shareholders.
No restrictions shall apply to the negotiability of the shares cf. though paragraph 4 and 5 in the Articles of Association, and no shareholder shall be under an obligation to let his shares be redeemed in full or in part.

The new shares shall be subject to the same restrictions and moreover have the same rights as the existing share capital from the time the increase of the share capital has been registered in the Danish Business Authority.

The Board of Directors shall be authorised to make the necessary amendments to the Articles of Associations in connection with increase in the capital conducted in accordance with paragraph 3 no. 2 and no. 3.

4. At a Board Meeting held in the bank by the 22nd November 2012 the Board of Directors decided to make use of the authorisation according to paragraph 3, sub-clause 2, to effect an emission of nominal DKK 80,000,000 shares, of which nominal DKK 80,000,000 have been subscribed. Therefore nominal DKK 0 remain according to this authorisation.

At a Board Meeting held in the bank by the 22nd November 2012 the Board of Directors decided to make use of the authorisation according to paragraph 3, sub-clause 3, to effect an emission of nominal DKK 90,240,000 shares, of which nominal DKK 90.240,000 have been subscribed. Therefore nominal DKK 114,760,000 remains according to this authorisation.

§ 4

1. The bank's shares shall be registered shares, and they shall be registered in the name of the shareholder in the bank's register of shareholders, which register is kept by VP SERVICES A/S – VAT No. 30201183.

The shares cannot be transferred to bearer. The rights attached to the shares shall be reported to the Danish Securities Centre in accordance with the statutory rules on this.

2. The transfer of shares shall only be valid vis-à-vis the bank when the share transfer has been entered in the bank's register of shareholders. The bank shall not have any liability whatsoever for the authenticity and validity of the share transfer.

3. The shares shall be negotiable instruments.

4. No share shall have any special rights attached to it. No shareholder shall be under an obligation to let his shares be redeemed in full or in part.

5. The shares are freely negotiable, however so, that it calls for the bank's consent, when conveyance of shares to an acquirer, who has or with the conveyance obtain 10 % or more of the bank's share capital.

The consent can and shall be given

- when the conveyance is executed as part of the shares conveyance to a holding company founded as part of a structural reorganization of the bank with the bank's accession or restructuring of the bank in agreement with the Danish FSA following a loss of capital, and
- in every case, where the acquirer - vote and the capital situation at the bank's previous general meetings taken into account - not concrete can be supposed to mean to or to be able to obstruct amendments to the Articles of Association regarding capital increase in the bank.

When the rejection is not given within 5 working-days on the stock exchange after appearance of the application in the bank, the consent is considered to be given.

Moreover no special internal rules in connection with communication of consent apply.

Such rules can only be established via a change in the rules in the Articles of Association.

Shares, which have been acquired despite the missing or denied consent, shall immediately be sold, and the shares give no administrative rights in the company.

6. The shares shall be issued through the Danish Securities Centre in accordance with the statutory provisions on the issue of quoted securities.

The Bank's Management

The bank's affairs shall be handled and managed by:

1. the General Meeting
2. the Committee of Shareholders
3. the Board of Directors
4. the Management Board

The General Meeting

§ 5

1. The ordinary General Meeting shall be held in Skjern before 31 March each year.
2. Extraordinary General Meetings shall be held in accordance with the rules on extraordinary General Meetings laid down in the Danish Companies Act.

§ 6

1. Any General Meeting, both ordinary and extraordinary, shall be convened by the Board of Directors at maximum 5 weeks and minimum 3 weeks notice. The notice convening the General Meeting shall be sent to NASDAQ OMX København A/S and shall be noticed at the bank's website.

The notice convening the General Meeting has to be sent by mail to every registered shareholder, who has requested the notice in writing.

2. The notice convening the General Meeting shall contain the agenda for the General Meeting. However, a reference to Article 7 of the Articles of Association will suffice for the ordinary General Meeting if no motions have been submitted for discussion at the General Meeting.

3. Not later than 3 weeks before the General Meeting is to be held, the following data and information shall be available on the bank's website:

- the notice to the General Meeting
- information concerning the total number of shares and the number of rights to vote at the date of the notice
- the documents to be presented at the General Meeting
- the agenda
- the complete proposals
- information regarding the forms to be used in connection with proxy-voting and letter-voting and with reference to the ordinary General Meeting the audited Annual Report as well.

§ 7

The agenda for the ordinary General Meeting shall comprise the following business:

1. the Directors' Report
2. presentation of the annual report for approval
3. adoption of a resolution on the allocation of profit or settlement of loss in accordance with the approved annual report
4. election of members of the Committee of Shareholders
5. election of auditors

6. any proposals from the Committee of Shareholders, the Board of Directors or the shareholders
7. any other business.

§ 8

1. The proceedings at the General Meeting shall be chaired by a chairman elected by the Committee of Shareholders.

The chairman shall conduct the proceedings at the General Meeting and shall decide all procedural matters regarding the discussion of items, voting procedures and voting results.

2. Votes shall be cast by written ballot unless otherwise decided by the General Meeting.

§ 9

1. The voting rights may be exercised as follows:

Each share amount of up to and including nominal DKK 1,000 shall give 1 vote, after which each commenced nominal DKK 1,000 share amount shall give 1 additional vote.

No shareholder have voting rights for more than 5 % of the nominal share capital at any time.

2. If the shareholder(s) is or are represented by a proxy holder, this proxy holder shall present a written and dated power of attorney.

Any shareholder, an authorised person or adviser of the latter, shall be entitled to attend the General Meeting, if the person in question has requested an entrance card and the registration of the power of attorney not later than 3 days prior to the General Meeting.

Any shareholder, who is entitled to attend the General Meeting, and whose shares have been registered in the register of owners 1 week before the General Meeting at the latest, shall have the right to vote at the General Meeting.

3. Voting rights may be exercised by proxy if, against presentation of the proxy, the proxy holder has acquired an entrance card so that the proxy holder can attend the General Meeting on the principal's behalf.

4. Any motions from shareholders must have been sent to the Chairman of the Board 6 weeks prior to the General Meeting at the latest, if they are to be discussed at the ordinary General Meeting. The Board of Directors shall 8 weeks prior to the scheduled General Meeting at the latest announce the latest proposal of claim(s) for admission of a certain topic on the agenda.

§ 10

1. All business transacted at the General Meeting shall be decided by simple majority of votes unless otherwise stipulated in the legislation in force at any given time or in the present Articles of Association.

2. Any resolution on an amendment to the Articles of Association shall only be valid if 1/3 of the share capital is represented at the General Meeting and the motion is adopted by minimum 2/3 of both the votes cast and of the voting share capital represented at the General Meeting.

3. If 1/3 of the share capital is not represented at the General Meeting, but the motion has otherwise been adopted by 2/3 of both the votes cast and of the voting share capital represented at the General Meeting, the Board of Directors shall convene a new General Meeting within 14 days at which the motion may be adopted by 2/3 of the votes cast

without any requirement for the percentage of the share capital that must be represented at the General Meeting.

4. Any amendments to the Articles of Association that are proposed by other parties than the Board of Directors or the Committee of Shareholders cannot be adopted unless minimum 9/10 of the share capital is represented at the General Meeting.

Blank votes shall not count as votes cast.

Electronic Communication

§ 11

1. All communication from the bank to the individual shareholder may happen electronic, unless

The Companies Act says something else.

The Bank may at every time communicate via normal mail.

2. The notice to the shareholders to an ordinary and extraordinary General Meeting, including the complete proposal to amendments, delivery of the agenda, the subscription list, the Annual Report, the company announcement, admittance card as well as other general information from the bank to the shareholders thus may be send electronically – including by email - from the bank to the shareholders.

3. The bank is committed to ask the registered shareholders for an electronic address, to which address announcements etc can be send.

It is the shareholders responsibility to assure, that the bank is in possession of the correct electronic address.

All communication from the shareholders to the bank may happen electronic via email to post@skjernbank.dk.

4. In all branches of the bank the shareholders can receive further information concerning the requirements to systems used and about the procedure in connection with electronic communication.

Such information can also be send to the shareholder according to a request of the latter.

The Committee of Shareholders

§ 12

1. The bank's Committee of Shareholders shall be elected by the General Meeting.

2. The size of the Committee of Shareholders shall be fixed by the General Meeting following nominations from the Board of Directors. However, the Committee of Shareholders shall have maximum 30 members, who must be shareholders in the bank.

3. Members of the Committee of Shareholders shall be elected for a period of 4 years at the time at an ordinary General Meeting.

Members of the Committee of Shareholders may be re-elected.

4. The members of the Committee of Shareholders shall be under an obligation to retire from the Committee of Shareholders at the first ordinary General Meeting after the member in question has attained 67 years of age.

Members of the Committee of Shareholders, who have also been elected to the Board of Directors, shall, however, not retire from the Committee of Shareholders and the Board of Directors until at the end of the period, for which the members in question have been elected to the Board of Directors.

5. If a member of the Committee of Shareholders retires before the expiry of the period, for which he has been elected, a new member may be elected at the next ordinary General Meeting as a replacement for the retiring member during said member's remaining period.

§ 13

1. The Committee of Shareholders shall hold ordinary meetings at least twice a year and, moreover, as often as demanded by the Chairman, a third of the members of the Committee of Shareholders or the Management Board.

2. At the first meeting after the ordinary General Meeting, the Committee of Shareholders shall, each year, elect its Chairman and Deputy Chairman as well as up to 3 members of the Board of Directors and 1 alternate member of the Board of Directors.

3. Members of the Committee of Shareholders may be re-elected. An absolute majority of the votes cast shall be required for such elections, and if such a majority is not achieved, election from a restricted number of candidates will be implemented. All other matters shall be decided by simple majority of votes.

4. Meetings of the Committee of Shareholders shall be convened at minimum 8 days' notice by the Chairman or by the Deputy Chairman in the Chairman's absence. More than half of the members of the Committee of Shareholders must be present in order to constitute a quorum for the adoption of valid resolutions.

§ 14

1. A report on the bank's activities in the past period shall be presented at the meeting of the Committee of Shareholders.

2. The task and duties of the Committee of Shareholders shall be to act as the bank's representatives, to work for the bank's interests in general and to assist the Board of Directors and the Management Board to the best of the Committee of Shareholders' ability.

3. The members of the Committee of Shareholders shall receive a fee for their services, which fee shall be fixed by the Board of Directors. The Committee of Shareholders shall fix the fee payable to the members of the Board of Directors.

4. Minutes shall be kept of the proceedings at the meetings of the Committee of Shareholders in a minute book, which shall be signed by the members present at the meeting.

The Board of Directors

§ 15

1. The Board of Directors shall consist of 3 - 5 members. Board members shall be elected by and among the members of the Committee of Shareholders for a two-year term, so that up to 3 members will retire each year by rotation. Board members may be re-elected.

2. Added to this are members elected by and from among the company's employees to the extent to which the employees are entitled to such representation in accordance with the legislation in force at any given time and to the extent to which they choose to exercise this statutory right.

3. Each year, the Board of Directors shall elect its Chairman and Deputy Chairman, who shall be elected at the first meeting after the election of the Board of Directors.

4. If a member retires from the Committee of Shareholders, the member shall also retire from the Board of Directors. In the event of any Board member's retirement, a new member of the Board of Directors shall be elected for the remaining term of the retiring Board member's directorship.

§ 16

1. The Board of Directors shall draw up Rules of Procedure that contain detailed provisions on the performance of its work and duties.

2. The Board of Directors shall constitute a quorum when more than half of its members are present.

3. Minutes of the proceedings at the meetings of the Board of Directors shall be kept in a minute book, which shall be signed by all Board members present at the meeting. The auditors' records shall be presented following each entry and shall be signed by all members of the Board of Directors.

4. The Board of Directors shall prepare written guidelines for the bank's principal activity areas, which shall contain provisions on the distribution of work between the Board of Directors and the Management Board.

The Management Board

§ 17

1. The Management Board shall consist of one or more manager(s).

The Management Board shall handle and manage the day-to-day business activities in accordance with the Acts in force and the bank's Articles of Association, and the Management Board shall also represent the bank in all matters in relation to the private sector and the public sector.

2. The Management Board shall be entitled to and under an obligation to participate in the meetings of the Board of Directors and of the Committee of Shareholders, however, without having any voting rights at said meetings.

3. The bank's salaried employees shall be appointed and dismissed by the Management Board.

4. The members of the Management Board shall be under an obligation to retire not later than at the end of the quarter in which they attain 70 years of age.

Power to bind the Bank

§ 18

The bank shall be bound by:

1. the joint signatures of the whole Board of Directors
2. the joint signatures of the Chairman or Deputy Chairman of the Board of Directors and 2 other Board members
3. the joint signatures of the Chairman or the Deputy Chairman of the Board of Directors and a manager
4. the joint signatures of two managers.

Auditing

§ 19

1. The bank's financial statements shall be audited by one or several auditors elected by the General Meeting. The elected auditors must be state-authorised public accountants.

2. Auditors shall be nominated for election, and any re-election, by the Board of Directors.

3. Auditors shall be elected for a term of one year at the time.

Annual Report

§ 20

1. The bank's accounting year shall follow the calendar year.

2. The annual report shall be signed by the Management Board and the Board of Directors and shall be provided with the auditors' report.

Winding-up of the Bank

§ 21

1. Any motion for a voluntary winding-up of the bank cannot be adopted unless minimum 9/10 of the share capital are represented at the General Meeting and the motion is adopted by both 3/4 of the votes cast and of the voting share capital represented at the General Meeting.

2. If less than 9/10 of the share capital are represented at the General Meeting, but the motion has otherwise been adopted by both 3/4 of the votes cast and 3/4 of the voting share capital represented at the General Meeting, and the motion has been submitted by either the Board of Directors or the Committee of Shareholders, the motion may be adopted at a new General Meeting by the above qualified majority without any requirement for the percentage of the share capital that must be represented at the General Meeting.

3. Any such new General Meeting shall be convened by the Board of Directors at the usual notice within 14 days from when the first General Meeting was held.
Blank votes shall not count as votes cast.

Sundry Provisions

§ 22

1. The Board of Directors may, without the consent of the General Meeting being required, make any amendments and additions that may be demanded by the public authorities in pursuance of the legislation in force at any given time as a condition for approval or registration of amendments to the Articles of Association or for the bank's continued listing on the Stock Exchange.

Thus verified at the Board Meeting held on 17th December 2012.

Skjern Bank A/S

The Board of Directors:

Hans Jeppesen

Jens Okholm

Finn Erik Kristiansen

Bjørn Jepsen

Lars Skov Hansen

Lars Lerke

Translation

The above is a translation of the Danish "Vedtægter for Skjern Bank A/S".
In case of doubt the Danish original will apply.