

PARLIAMENTARY ACT

on

Føroya Realkreditstovnur (The Faroese Mortgage Credit Society)

According to a decision by the Faroese Parliament, the Faroese prime Minister hereby confirms and publishes the following Parliamentary Act:

§ 1

In parliamentary Act No. 75 from 5 November 1998, regarding The Faroese Mortgage Credit Society as amended by Parliamentary Act No 53 from 16 May 2006, the following amendments are to be implemented:

1) In § 1, subsection 1, 2, the word “cargo vessels” shall be added after “fishing vessels”.

2) In § 1, subsection 4, the word “cargo vessels” shall be added after “fishing vessels”.

3) § 8, subsection 2 shall read as follows:

“Subsection 2: The Society may grant 1st. and 2nd mortgage loans either as exclusive mortgagee or mutually with equivalent security from another financial source. 1st mortgage loans may not exceed 60 % of the estimated value.”

4) § 8, subsection 3 shall read as follows:

“Subsection 3. 2nd mortgage loans may be granted together with 1st mortgage loans and may not exceed 80 % of the estimated value.”

§ 2

Subsection 1. This parliamentary act comes into force the day after its announcement.

Subsection 2. From the day this law comes into force until 31 March 2013, the 25 % limit may be exceeded, yet only up to 30 % in § 8, subsection 6 in the Parliamentary Act No. 75 of 5 November 1998 regarding The Faroese Mortgage Credit Society as amended by Parliamentary Act No. 53 from 16 May 2006.