

Instructions

pertaining to dealing with insider information in Renewable Energy Corporation ASA (REC) and subsidiaries (as of 17 July 2009)

1 Background and object

REC's statutory obligations relating to adequate handling of information are as follows:

- REC must have routines for safe handling of insider information
- Lists shall be kept of people who have access to insider information and the list shall be constantly updated
- People who are granted access to insider information must be made aware of the duties and responsibilities this implies, and the criminal liability that applies.
- REC must be able to prove to the Financial Supervisory Authority of Norway (Kredittilsynet) that those who have access to insider information are aware of their duties.

The object of these instructions is to comply with the above duties and to increase the individual's awareness of the responsibility that follows as a result of having access to insider information and the consequences of misuse of such information.

Adequate handling of information is called for both with regard to REC as an issuer of listed shares and other financial instruments such as listed bonds.

2 Area of application, liability etc.

These instructions apply to *all* employees and elected trustees (board members, elected auditors) in REC and the company's subsidiaries, as well as joint venture companies where REC is the managing partner.

Those who bear responsibility for REC's business areas shall ensure that employees and elected trustees in REC's subsidiaries have the information and training in the instructions that is necessary. For REC ASA this responsibility lies with the individual head of division. Together with the individual manager REC Legal will assist in the practical training.

3 Definition of insider information

By insider information is meant precise information about the financial instruments, the issuers of these or other information that is not publicly available or common knowledge in the market, and that is likely to have a significant impact on the price of the financial instruments (including listed shares and bonds).

Insider information may, for example, be knowledge relating to forthcoming acquisition bids, financial results¹, decisions involving own shares, contractual negotiations, investment decisions, decisions taken by public authorities or information relating to framework conditions that the issuing enterprise is subjected to. The information does not have to be complete for it to be regarded as insider

¹ For further details please see Chapter. 7 on economic reporting in REC at group level..

information, but must not include rumours, assumptions and speculations. As a general rule, such information will be relevant to all types of financial instruments related to REC.

Insider information arises at the moment a rational investor would probably make use of the information as the basis for an investment decision. For example, insider information exists at the latest when in a negotiation process it is considered likely that a contract will be entered into. Each situation must be considered separately and concretely. If one is dealing with issues that are developing, the assessment must be continual.

All employees and elected officers are obliged to continually assess whether the information that he/she gets knowledge of or has access to as a result of his/her position or office in REC can be considered to be or is likely to develop into insider information. Anyone who gets knowledge of such information shall immediately report this to his/her superior, who in turn will report to CLO, or directly to the CLO. If there is any doubt, one must nevertheless *immediately* contact REC Legal.

4 Postponement of publication of insider information

In principle, REC's Investor Relations Department shall publish insider information on REC-related financial transactions without delay on Oslo Børs.

Publication may in some cases be postponed in order not to harm REC's interests, for example the possibility of implementing a project. The decision as to whether or not grounds for a postponement exist shall be made by the Legal Department represented by the CLO in consultation with the CEO and the IRO. Thereafter, the Investor Relations Department shall immediately advise the stock exchange privately of the circumstances, the background for the postponement and that REC has instigated listing. The notice shall be submitted to the company's stock exchange contact or the duty officer in the Department for Supervision and Control (in the case of shares) and/or the Fixed Income Department (in the case of bonds).

5 Insider lists

Immediately a decision has been made to postpone publication, REC Legal shall prepare an insider list showing *every person* who has access to the insider information. The relevant business unit shall assist in preparing the listing and in disseminating any information as requested by REC Legal.

The person or persons responsible for the listing shall ensure that the people who are included on the list are aware of the fact that they are included on the insider list and the duties and obligations this implies, as well as the criminal liabilities that are connected to the misuse or unwarranted use of such information. In advance, or on the first occasion that the person in question receives insider information, those responsible for preparing the list shall obtain a declaration which confirms that the recipient is cognisant of the duties and obligations this implies. See "*Declaration of access to insider information*", Enclosure 1.

REC can demand that external service providers have a duty to prepare such a list in connection with any awarding of assignments. REC is responsible for external service providers preparing such lists pursuant to current regulations. The practicality of delegating the need to prepare lists must be considered on a case to case basis and shall always be immediately reported to the CLO or someone to whom this responsibility has been assigned.

The officer responsible for compiling the list shall ensure that it is submitted for safekeeping following every update. The duty to safe keep the list spans 5 years from the date of the last update. Further routines governing the lists are to be found in "*List of insiders*", Enclosure 2.

6 The individual's duties and liabilities on receiving insider information

Every employee and elected officer who receives insider information concerning REC-related financial instruments shall comply with the prohibitions and liabilities that are described in more detail below: Prohibition of misuse of insider information (section 6.1), Duty of Confidentiality (section 6.2), Duty of disclosure when distributing insider information (section 6.3), and The obligation to safe keep and secure information (section 6.4).

6.1 Prohibition of misuse of insider information

Subscription to, purchasing, selling or exchanging financial instruments issued by REC must not be executed if one is privy to insider information concerning REC financial instruments. This prohibition applies to any physical person or body corporate, indirect or direct trading and both trading for own account or for account of others, irrespective of the settlement method. The prohibition also applies to incitement of trading, i.e. it is not permitted to give others advice or in any way influence anyone to make, or to refrain from making such dispositions if one has insider information on REC-related financial instruments.

This applies equally to entry into, purchasing, selling or exchanging options or forward contracts or similar rights (including financial derivatives) related to such financial instruments or to incite such dispositions.

This prohibition affects only trading that can be characterised as *misuse* of insider information. Whether or not the trade is subject to the prohibition must be considered on a case to case basis. Pursuant to the Securities Trading Act, the prohibition does not hinder normal execution of options or forward contracts entered into earlier when the contract period comes to an end.

6.2 Duty of confidentiality

Insider information is confidential information and shall not be given or in any other way made available to unauthorised individuals or companies.

The information can *only* be transferred to or made available to others in the event that the recipient has a justifiable and well-founded need for the information seen in light of REC's interests. A strict "need to know" principle is applied, i.e. the number of people with access to the information shall be as few as possible.

Those who transmit insider information or make the information accessible to others have an individual responsibility for ensuring that the person(s) who become(s) privy to the information is at the same time made aware of the duties and liability receiving such information implies, including the duty of confidentiality, the duty to safe keep the information in an adequate manner, not to misuse it, and the criminal liability that is linked to misuse or unwarranted distribution of such information. The above applies irrespective of whether the recipient is an employee/elected officer in REC or an external consultant or business relation.

6.3 Duty of disclosure when distributing insider information

In the event that insider information is distributed or made available to others pursuant to section 6.2 above, the officer responsible for the insider list and/or the CLO shall be advised *without delay*.

Compliance with this duty of disclosure is a prerequisite if REC is to satisfy legal obligations relating to insider lists, and ensure that those who are granted access to insider information are aware of the responsibilities this implies.

The officer who is responsible for maintaining the list shall immediately add the person to the list of people who have access to insider information. At that time, and no later, the person responsible for maintaining the insider list shall ensure that the recipient is well aware of the duties and

responsibilities this implies, and the criminal liability that is linked to any misuse or unwarranted use of such information (see section 5 above).

6.4 The obligation to safe keep and secure information

All who have insider information are obliged to handle such information with due care and attention so that insider information is not made available to unauthorised persons or is misused.

6.5 Criminal liability etc.

Misuse of insider information and breaches of regulations relating to the duty of confidentiality and proper handling of insider information is a criminal offence. Infringements are punishable with fines or prison sentences. Both deliberate and negligent infringement is subject to punishment. Aiding and abetting and attempted misuse are similarly punishable. In addition, one may incur personal compensation liability to REC and others, as well as disciplinary actions relating to the employment relationship, including notice and dismissal.

7 Financial reporting at REC group level in particular

In the case of non-consolidated financial results at business unit level, it is essential to consider on a case to case basis whether the results can be considered to be insider information, in the same manner as other sensitive information in accordance with Chapter 3 above.

As regards consolidated financial results in connection with interim reports of the REC Group's financial results, these must *always* be treated as though they constitute insider information. This information shall be dealt with in accordance with duties specified in these instructions, but with the adjustments and precisions that follow from 7.1 - 7.3 below.

7.1 Postponed publication

The general rule is that the terms for postponement of publication are satisfied for consolidated financial results that appear in connection with the interim reporting for the REC Group.

7.2 Profit warning

REC Finance must constantly assess whether the financial results for the period bring to light material deviations (significantly better or worse) compared to the expectations the company has created, i.e. expectations that be traced to information that REC itself has provided. This assessment is carried out in association with the CLO, IRO and the CEO. REC's CFO must thereafter decide on the publication of profit warning.

7.3 Insider lists

REC Finance shall maintain a list of insiders for the financial reporting immediately the quarterly accounts are compiled in such a manner that they present a clear picture of the groups' financial position and/or consolidated quarterly information becomes available.

The list for financial reporting shall be maintained in the same manner as the Insider List referred to in section 5 above, irrespective of whether the financial results at that time are defined as insider information or not.

8 Regarding Primary insiders in particular – trading in financial instruments, duty to inspect, duty to obtain approval, duty of disclosure etc.

In addition to the Instructions pertaining to dealing with insider information, primary insiders are subject to "*Rules and regulations for Primary insiders in REC*". Detailed routines for Primary insiders' trading in financial instruments, the duty to inspect, obtain approval and the duty of disclosure are established in these rules and regulations.

Renewable Energy Corporation ASA

Ole Enger
CEO

Enclosure 1: Declaration of access to insider information
Enclosure 2: Insider list

Enclosure 1

Knowledge of instructions pertaining to dealing with insider information in Renewable Energy Corporation ASA (REC) and subsidiaries (as of 17 July 2009)

The undersigned acknowledge to have received and to have read REC's Instructions pertaining to dealing with insider information in Renewable Energy Corporation ASA (REC) and subsidiaries (as of 17 July 2009) and acknowledge to be aware of the obligations and responsibilities related to access to insider information.

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Date

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Employee

