

Code of Conduct

for Members of OMX Nordic Exchange Iceland hf

OMX Nordic Exchange Iceland (“the Exchange”) has adopted the following Code of Conduct:

Italicised text herein is for guideline purposes. It should not be regarded as binding or an exhaustive treatment of the subject matter.

I. Scope and objectives

Article 1

This Code of Conduct applies to trading by members of the Exchange, hereinafter “Exchange Members”, in financial instruments admitted to trading on the Exchange and to other activities taking place on the securities market in connection with the Exchange.

Article 2

The objective of this Code of Conduct is to promote visibility, efficient price formation and equality in trading. It is also intended to win confidence and trust for the securities market and to promote its progress.

II. Integrity and fairness

Article 3

All work carried out for an Exchange Member shall be performed with integrity and fairness.

An Exchange Member shall treat the Exchange’s trading system with integrity and do nothing that could damage the public reputation of the Exchange or of its trading systems.

An Exchange Member shall meet all its commitments.

An Exchange Member undertaking the management of financial instruments’ admission to trading on the Exchange and of offerings of financial instruments shall carry out a due diligence examination of the issuer’s operation and financial position.

Paragraph 2 of the Article entails, among other things, that an Exchange Member must not place an order that it is unable to fulfil or whose purpose is to submit an opinion on other aspects than price.

III. Guidance

Article 4

An Exchange Member must provide guidance to a client if it has reason to believe that a transaction may be subject to an obligation to notify the Icelandic Financial Supervisory Authority or that a notification on a transaction must be made public in the European Economic Area (such as a notification on the acquisition or disposal of a major proportion of voting rights (“flagging”) or an insider notification).

IV. Trading practices – visibility

Article 5

All trading must comply with the law and give primary regard to good trading practice.

An Exchange Member is responsible for ensuring compliance with rules on good trading practice. An Exchange Member shall conduct trading dutifully, safeguard client interests in all respects and be guided by the securities market's interests.

This Article entails, among other things, that an Exchange Trader employed by an Exchange Member must not accept a buy or sell order that obviously gives an incorrect picture of the market value of a given share when it should be clear to the Exchange Trader that the transaction's settlement will, in all probability, not take place.

Article 6

An Exchange Member shall take care not to take any action that could impede or disturb fair and orderly activities in the securities market.

V. Competence

Article 7

An Exchange Member shall ensure that its employees are competent to carry out their work and possess, as applicable, the specific training and rights appropriate for their position.

An Exchange Member shall ensure adequate employee training on rules and procedures in the market, and its employees shall at all times have access to an expert on the laws and regulations governing the securities market at any given time.

VI. Confidentiality and public discussion

Article 8

An Exchange Member shall maintain in strict confidence from unauthorised parties any confidential information relating to a client, Exchange Members or the Exchange.

VII. Compliance, etc.

Article 9

An Exchange Member shall in its activities comply with all laws and regulations applicable to trading in the securities market and monitor its employees' compliance with the rules of the securities market.

Article 10

The Exchange's Board of Directors may establish a Conduct Compliance Committee to settle disputes as to whether an Exchange Member has followed good practices under this Code of Conduct. Without prejudice to the Personal Data Act, the Committee's opinions and conclusions shall be made public.

Article 11

The above provisions of this Code of Conduct shall not be regarded as exhaustive on the issue of good practice.

An Exchange Member must harmonise its own codes of conduct and procedures with this Code of Conduct and apply them vis-à-vis its staff. This Code of Conduct shall apply in cases where the internal rules of an Exchange Member conflict with any provisions hereof.

In cases of doubt, the Exchange Member shall consult with the Exchange.

IX. Entry into force, etc.

Article 12

This Code of Conduct shall take effect on 1 August 2008.