

The Financial Supervisory Authority and the Icelandic Stock Exchange make the following:

## **Agreement on prospectus approval**

with reference to Art. 52, par. 2, cf. Art. 138 of Act No. 108/2007 on Securities Transactions

### **Art. 1**

#### **Tasks entrusted to the Icelandic Stock Exchange**

The Financial Supervisory Authority (FME) entrusts the Icelandic Stock Exchange (the Exchange) with the approval of prospectuses for securities which are to be traded on the Exchange, as well as other prospectuses issued by companies listed on the Exchange, whether or not they shall be traded on the Exchange.

### **Art. 2**

#### **Form and contents of a prospectus**

When approving a prospectus, the Exchange shall ensure that its form and contents conforms to provisions of Act. No. 108/2007 on Securities Transactions and pursuant rules.

### **Art. 3**

#### **Qualifications for approving prospectuses**

The Exchange shall have employees available who have the necessary skills, knowledge and expertise to deal with prospectus approval in a satisfactory manner and within the time limits which are specified in the rules which have been set on the basis on the law on securities transactions.

The organization and operations of the Exchange shall be conducive to decreasing the risk of potential conflicts of interest. Further, it shall be ensured that information acquired for the approval of prospectuses is not used in an unjust manner or in order to inhibit competition.

### **Art. 4**

#### **Interpretation of legal provisions and use of provisions providing exemption**

The Exchange shall request the position of the FME, when the need arises for interpretation in connection with the execution of tasks according to this agreement. Before the FME takes a position, the Exchange shall provide its opinion on the issue. The Exchange shall follow the interpretation of the FME and standard procedure at each time.

When requests are made for exemption from the obligation to publish prospectuses, or the publishing of certain information in prospectuses, the Exchange shall inform the FME, which shall take a position on such requests.

The FME generally takes a position on inquiries from the Exchange on interpretation of legal provisions and the granting of exemptions, cf. Art. 1 and 2, so that the outcome is available no later than at the end of next working day after the inquiry is received.

**Art. 5**

**Authorization of the Exchange to procure information and charge a fee**

In connection with the approval of a prospectus according to this agreement, the Exchange is authorized to apply Art. 134, par. 2, points 1-3 of Act No. 108/2007 on Securities Transactions.

The Exchange's compensation for prospectus approval shall be in accordance with the Exchange's published rate list, cf. Art. 52, par. 3 of Act No. 108/2007 on Securities Transactions.

**Art. 6**

**Implementation of the agreement and exchange of information**

Representatives of the FME and the Exchange shall hold meetings on the execution of tasks according to this agreement as necessary, with a minimum of one meeting every six months.

Every six months the Exchange shall submit an overview of the execution of tasks based on the agreement.

**Art. 7**

**Entry into force, duration and termination**

This agreement enters into force on 1 January 2009 and expires no later than 31 December 2011. The parties to the agreement can terminate it by written procedure with a twelve month mutual term of notice. The notice shall correspond to the first of the month.

If major or repeated non-compliance occurs by the parties with regard to the duties to which this agreement stipulates, the agreement can be revoked, since in the case of repeated non-compliance leeway was granted for rectification and improvement.

While the agreement is in force, the FME can, if the need arises, take upon itself the approval of certain prospectuses, e.g. due to possible conflicts of interest.

Reykjavik, 22 December 2008

On behalf of the Financial Supervisory Authority,

On behalf of the Icelandic Stock Exchange hf.,

Jónas Fr. Jónsson, Director General

Pórður Friðjónsson, Director General