

TRANSLATED FROM THE ICELANDIC

SECTION I

General Provisions

Art. 1

The present Act applies to all Public Limited Companies, unless otherwise decreed under Law. The [Minister of Economic Affairs] 1) deals with matters relating to Public Limited Companies in accordance with the present Act, other than those which relate to the registration of Public Limited Companies, but these are dealt with by the Minister of Finance. "Minister" in the present Act refers to the [Minister of Economic Affairs] 1), unless the Minister of Finance be specifically named.

In the present Act a Public Limited Company denotes an association in which no associate is personally responsible for the Company's total liabilities. An Official Public Limited Company denotes in the present Act a Company fully owned directly or indirectly by the authorities, one or more shareholders. Such Companies alone are right and in duty

bound to have the words “Official Public Limited Company” contained in their name or the abbreviation “ohf” and the words or the abbreviation may be linked to the name or abbreviation of a Public Limited Company.

A Public Limited Company shall have share capital which is divided into two or more shares. The share capital shall amount to a minimum of ISK 4,000,000,00. The Minister may amend this amount in conformity with changes in the rate-of-exchange of the Euro. The amount shall, however, at all times be in ISK hundreds of thousands. Amendment of the amount shall generally enter into force at year’s beginning, provided that notice thereof has been given no later than by December 15th, of the previous year.

Public Limited Companies having obtained approval of registration in an regulated securities market may determine their share capital in a foreign currency. The same applies to other Public Limited Companies, provided that these have obtained authority from the Annual Accounts Register for the entry of books and the preparation of annual accounts in a foreign currency.

Companies under sub-paragraphs 1 and 2 shall maintain the new currency unchanged for at least five years, unless the Minister grant an exemption from these time-limits.

In addition to the Icelandic krona share capital may be fixed in the following foreign currencies:- Euro, British pound Sterling, Danish, Norwegian and Swedish kronas, United States dollar, Japanese yens and Swiss francs. In a decision of a shareholders' meeting an account shall be given of the nominal value in the Icelandic kronas and foreign currency.

If there is a case of a registered Company in an regulated securities market which has not, upon the issue of share certificates, acquired authority to enter books and prepare annual accounts in a foreign currency, conversion to another currency shall be based on the final rate-of-exchange in accordance with the official foreign exchange reference rate of the Central Bank of Iceland at the end of the immediate past fiscal year prior to the year the decision is made or the rate-of-exchange which applied at the time payments of share capital were effected. In case a Company has obtained authority to enter books and

prepare annual accounts in foreign currency the nominal value of share capital upon the issue of share certificates shall be in conformity with the provisions of the Act respecting Annual Accounts concerning the conversion. The Minister may lay down rules to the effect that other currencies may be used as a reference and may stipulate further conditions for share capital being fixed in another currency than the Icelandic krona and when that conversion may be undertaken.

Public Limited Companies alone are right and in duty bound to include the expression "hlutafélag" (Public Limited Company) in their name or the abbreviation "hf.", ("h/f", "h.f."). In other respects firms of Public Limited Companies are subject to the provisions of the Act respecting Firms.

Letterheads, order forms and similar documents of Public Limited Companies and their branches shall specify the name, identity number and address of the Company as well as the registering party and conceivable registration number other than the identity number. As it pertains to a

Company's branch there shall also be specified a conceivable register and registration number of the Company in its home country. In case the share capital be specified in these documents there shall be specified the share capital to which subscription has been obtained and which is paid-up. In case of the use of the name of a Public Limited Company or a branch there shall be added eventual information relating to bankruptcy administration or dissolution of the Company, if any. Information in accordance with the present paragraph shall also be given on the website, if any, of Public Limited Companies and the branches thereof

1) Act 98/2009, Art. 20

Art. 2

In case a Public Limited Company holds such a portion of the share capital in another Public Limited Company or Private Limited Company as to control majority votes in the Company, the former Company will be considered a parent Company, but the latter a subsidiary Company.

In case a subsidiary Company or a parent Company along