

DECISION OF THE FINANCIAL SUPERVISORY AUTHORITY (FME)

**on a sixth amendment to the decision of the FME dated 21 March 2009
on the disposal of assets and liabilities of Sparisjódabanki Íslands hf., ID no. 681086-1379,
to New Kaupthing Bank hf., ID no. 581008-0150 and the Central Bank of Iceland.**

By the authority of Art. 100a of Act No. 161/2002 on Financial Undertakings, cf. Art. 5 of Act No. 125/2008 on the Authority for Treasury Disbursements due to Unusual Financial Market Circumstances etc., the FME has made the following decision on the disposal of assets and liabilities of Sparisjódabanki Íslands hf.

PREMISES:

The decision of the FME of 21 March 2009 (called the “prior decision” unless otherwise stated) stated that the decision was based on available information and data. Should it prove to be based on insufficient or wrong information on merits, underlying premises of the decision turn out to be fundamentally inaccurate or the FME consider a different arrangement to be necessary, the FME could make any changes to the decision, including nullifying it in whole or in part, or suspending individual components of it. The decision of the FME of 22 March 2009 stated that it was necessary to revisit the prior decision to the extent to which it pertains to the execution of the transfer of deposits. It had not proved possible to complete the transfer of deposits within the given timeframe of the prior decision due to technical difficulties. This was a complicated project, which was more time consuming than previously believed. For these reasons it was considered necessary to grant an extended deadline to complete the transfer of deposits of Sparisjódabanki Íslands hf. to New Kaupthing Bank hf. and the Central Bank of Iceland. With its decisions of 24 March, 31 March and 7 April 2009, the FME considered it necessary, on the same basis, to further extend the deadline for the completion of the transfer of deposits. With its decision of 17 April 2009 the FME considered it necessary to revisit the prior decision in light of new information and changed premises which have surfaced in the past days concerning Sparisjódabanki Íslands hf. On the basis of the aforesaid the FME considers it necessary to make the following changes to its prior decision. As technical difficulties remain, the FME considers it necessary to further extend the deadline to complete the transfer of deposits. Therefore, the following decision is made on an amendment to amend the first sentence of point 7 of the prior decision.

DECISION:

The transfer of deposits according to the above said, shall take place no later than Monday 27 April 2009 at 16:00.

Other provisions of the former decision remain unchanged.

THE FINANCIAL SUPERVISORY AUTHORITY

24 April 2009

Gunnar T. Andersen
Director General

Ragnar Hafliðason
Deputy Director General