

To: (i) The Depositors' and Investors' Guarantee Fund of Iceland (the "**Guarantee Fund**")

(ii) Iceland ("**Iceland**")

From: The State of the Netherlands ("**The Netherlands**")

Date: 5 June 2009

Dear Madam/Sir,

**Loan Agreement dated 5 June
between the Guarantee Fund, Iceland and The Netherlands
(the "Agreement")**

- 1 Reference is made to the Agreement. Terms defined in the Agreement have the same meaning in this letter. Unless a contrary indication appears, references to paragraphs and subparagraphs are to paragraphs and subparagraphs of the Agreement..
- 2 Subparagraph 2.1.2 of paragraph 2.1 (*Reimbursement*) and paragraph 2.2 (*The Loan*) provide that the amount of the reimbursement referred to in paragraph 2.1 (*Reimbursement*) and the initial principal amount of the Loan will be EUR 1,329,242,850.
- 3 We confirm that the amount of EUR 1,329,242,850 includes:
 - (a) an amount of EUR 1,322,242,850 (the "**Paid-out Amount**") paid by DNB to Landsbanki Amsterdam Depositors in respect of their claims of against Landsbanki and the Guarantee Fund under Act No. 98/1999; and
 - (b) an amount of EUR 7,000,000 as reimbursement for costs incurred or to be further incurred by DNB and The Netherlands in connection with the compensation of Amsterdam Landsbanki Depositors by DNB and in connection with the Agreement.
- 4 We expect that the Winding-up Committee which has been appointed in relation to the insolvent estate of Landsbanki will, for the purposes of the insolvency of Landsbanki, conduct an audit (the "**Winding-up Audit**") in respect of the payment by DNB of compensation in relation to claims of Landsbanki Amsterdam Depositors against Landsbanki and the Guarantee Fund under Act No. 98/1999, and the resulting ability of DNB to claim in the winding up of Landsbanki. We agree that we will provide all reasonable cooperation to the Winding-up Audit (but neither you nor we will be bound by the outcome of the Winding-up Audit).
- 5 We agree that, if it appears that the Winding-up Committee will not give you access to, or will not allow you to use, the outcome of the Winding-up Audit, you may conduct your own audit (the "**Guarantee Fund Audit**") in respect of

the payment by DNB of compensation in relation to claims of Landsbanki Amsterdam Depositors against Landsbanki and the Guarantee Fund under Act No. 98/1999, provided that the Guarantee Fund Audit and the Winding-up Audit run in parallel and are combined as much as possible. We agree that we will provide all reasonable cooperation to the Guarantee Fund Audit (but we will not be bound by the outcome of the Guarantee Fund Audit).

- 6 We agree that, provided that the outcome of the Winding-up Audit or Guarantee Fund Audit, as the case may be, becomes available by no later than the first Anniversary Date, if on the basis of the outcome of the Winding-up Audit or Guarantee Fund Audit it appears that the actual amounts of compensation paid by DNB to Landsbanki Amsterdam Depositors in respect of their claims against Landsbanki and the Guarantee Fund under Act No. 98/1999 on or before 2 June 2009, in aggregate deviate more than 1 per cent. of the Paid-out Amount, we will enter into good faith negotiations with you to agree an appropriate adjustment of the amount of the reimbursement referred to in paragraph 2.1 (*Reimbursement*) and the initial principal amount of the Loan.
- 7 We agree that, if the negotiations referred to in paragraph 5 above do not result in an agreement, each Party may rely on the Dispute resolution mechanism in paragraph 16.2 (*Jurisdiction*).
- 8 This letter is governed by, and will be construed in accordance with, the laws of England and Wales.

Yours sincerely,

The State of the Netherlands
The Minister of Finance
on his behalf,

Johan C. Barnard