

**MINUTES OF THE MEETING OF HOLDERS OF THE EUR 2,014,382,201
CONVERTIBLE BONDS DUE 2035 (the "BONDS")**

On Monday, 28 November 2016, 10.00 am, a meeting of the holders of the Bonds issued by LBI ehf., reg. no. 540291-2259 ("**LBI**") was held at Hilton Reykjavik Nordica Hotel, Sudurlandsbraut 2, Reykjavik.

Ársæll Hafsteinsson, CEO of LBI, opened the meeting and welcomed the present representatives. Sarah Smith, solicitor and partner of Akin Gump LLP, was nominated by LBI to take the chair at the Bondholders' meeting, as permitted by the Conditions of the Bonds, and Jón Kristinn Sverrisson served as secretary of the meeting.

The chairman of the meeting declared herself satisfied that the convening of the meeting met the requirements specified in the Conditions of the Bonds, noting that the notice convening the meeting and setting out the Extraordinary Resolution proposed for consideration at the meeting (the "**Notice of Meeting**") was published on 4 November 2016 on LBI's website, so at least 21 clear days before the date of the meeting, as required by the Conditions of the Bonds.

The chairman of the meeting noted that the terms of the Bonds (in particular, Annex A to the Conditions of the Bonds) specify that the persons entitled to attend and vote at a meeting of the holders of the Bonds are (a) any person listed on the Register of the Bonds as a holder, and (b) a proxy or representative of a holder of the Bonds appointed in accordance with the Conditions of the Bonds (each an "**Eligible Person**", as defined in the Conditions of the Bonds). The chairman noted that she had been informed by LBI that it had received and had accepted proxies from 32 Bondholders registered on the Register who in aggregate held 81.12% of the Bonds. The proxies nominated by each of the 32 Bondholders to attend, speak and vote at the meeting on their behalf were any partner or employee of Akin Gump LLP or of LOGOS Legal Services Limited. The chairman is a partner of Akin Gump LLP; and the meeting was also attended by a partner of and employees of LOGOS Legal Services Limited. No Bondholders attended the meeting in person. On the basis of the proxies held and accepted by LBI, the chairman of the meeting declared the meeting quorate to decide on the matters indicated in the Notice of Meeting.

The chairman of the meeting noted that resolution proposed in the Notice of Meeting was an Extraordinary Resolution and so must be approved by a majority consisting of not less than sixty six and two thirds (66 2/3) per cent. of the Eligible Persons present at the meeting and voting on the Extraordinary Resolution.


The chairman of the meeting brought the Extraordinary Resolution to the vote of the Eligible Persons, noting that the proxies of the 32 Bondholders referred to above had accepted their appointment on the basis that they would vote in favour of the Extraordinary Resolution. The chairman of the meeting accordingly declared that the Extraordinary Resolution had been passed.

The chairman of the meeting declared that she would, if so directed by LBI, inform the Trustees of the Bonds that the Extraordinary Resolution had been passed, and


requested that LBI make available these minutes of the Bondholders' meeting on LBI's website without delay.

The chairman of the meeting invited those present to address the meeting with any questions they may have. No questions were raised.

The Extraordinary Resolution having been passed and there being no other items on the agenda of the meeting, the meeting was closed at 10.05 am.

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Sarah Smith, chairman of the meeting

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Jón Kristinn Sverrisson, secretary of the meeting