

Dated March 23, 2016

LBI ehf.
as Issuer

and

Wilmington Trust (London) Limited
as Trustee

and

Wilmington Trust, National Association
as U.S. Trustee

and

U.S. Bank National Association
as Principal Paying, Transfer and Conversion Agent

and

U.S. Bank National Association
as Registrar

and

U.S. Bank National Association
as Bond Custodian

PAYING, TRANSFER AND CONVERSION AGENCY AGREEMENT

relating to LBI ehf. €2,041,382,201
Convertible Bonds due 2035

MORRISON | FOERSTER

A LIMITED LIABILITY PARTNERSHIP

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This agreement (the “**Agreement**”) is made on March 23, 2016 **between:**

- (1) LBI ehf., a private limited company (Registered Number: 540291-2259) incorporated in the Republic of Iceland and having its registered office at Álftheimar 74, 104 Reykjavík, Republic of Iceland (the “**Issuer**”);
- (2) Wilmington Trust (London) Limited, whose registered office is at Third Floor, 1 King’s Arms Yard, London, EC2R 7AF, United Kingdom (the “**Trustee**”, which expression shall include any other trustee acting as trustee for the time being of the Trust Deed referred to below);
- (3) Wilmington Trust, National Association, a national banking association formed under the laws of the United States of America (the “**U.S. Trustee**”, which expression shall include any other trustee acting as U.S. trustee for the time being of the Trust Deed referred to below);
- (4) U.S. Bank National Association, acting through its office at 214 North Tryon Street, Charlotte, North Carolina as principal paying, transfer and conversion agent for the Bonds described below (the “**Principal Paying, Transfer and Conversion Agent**”, which expression shall wherever the context so admits include any successor principal paying, transfer and conversion agent for the time being so appointed);
- (5) U.S. Bank National Association, acting through its office at 214 North Tryon Street, Charlotte, North Carolina as registrar (the “**Registrar**”) which expression shall wherever the context so admits include any successor or additional Registrar for the time being so appointed); and
- (6) U.S. Bank National Association, acting through its office at 214 North Tryon Street, Charlotte, North Carolina as bond custodian (the “**Bond Custodian**”) which expression shall wherever the context so admits include any successor Bond Custodian for the time being so appointed).

Whereas:

- (A) The Issuer proposes to issue €2,041,382,201 in aggregate principal amount of Convertible Bonds due 2035 (the “**Bonds**”).
- (B) The Bonds will be issued in registered form, in principal amounts of €1 each (the “**authorised denomination**”), represented on issue by either a U.S. Registered Global Certificate or a non-U.S. Registered Global Certificate (each a “**Registered Global Certificate**”).
- (C) The Bonds will be constituted by a trust deed dated March 23, 2016, and made between the Issuer, the Trustee and the U.S. Trustee (as amended, restated or supplemented from time to time, the “**Trust Deed**”) and will be issued subject to the conditions (the “**Conditions**”) set out in Schedule 1 to the Trust Deed.

Now it is hereby agreed and declared as follows:

1. DEFINITIONS

- 1.1 Terms used but not defined in this Agreement but defined or construed in the Conditions or the Trust Deed shall, unless the context otherwise requires, have the same meanings when used herein, and the rules of interpretation set out in the Trust Deed shall apply to this Agreement as if set out herein. Reference herein to amounts payable in respect of the Bonds shall include all redemption moneys and any additional amounts expressed to be payable in respect thereof pursuant to the Conditions. In addition:
- 1.2 “**Agents**” means the Principal Paying, Transfer and Conversion Agent, the Registrar and any other Agent appointed pursuant to Clause 20.1 below and “**Agent**” means any of them.
- 1.3 “**Business Day**” means any day (other than a Saturday or a Sunday) on which (1) commercial banks and foreign exchange markets are open for business and settle payments in London, Reykjavík and (2) the Trans-European Automated Real Time Gross Settlement Express Transfer (TARGET2) system or any successor thereto is operating.
- 1.4 “**Officer**” means any member of the Issuer’s Board of Directors.
- 1.5 “**Officers’ Certificate**” means a written certificate signed in the name of the Issuer by any two Officers and delivered to any Agent.
- 1.6 References in this Agreement to Clauses shall be construed as references to the Clauses of this Agreement unless otherwise specified.

2. APPOINTMENT

- 2.1 Upon and subject to the terms of this Agreement and the Conditions, the Issuer hereby appoints (i) the Principal Paying, Transfer and Conversion Agent as its agent for making payments in respect of the Bonds and (ii) the Agents as its agents in relation to registration of the Bonds or the Bond Interests, any transfers of the Bonds or Bond Interests and any conversion of the Bonds at their respective offices specified above, and those Agents hereby accept such appointments. Except where the context otherwise requires, references hereafter in this Agreement to the Agents are to them acting solely through their respective specified offices.
- 2.2 Each Agent shall be obliged to perform only such duties as are expressly required of it by the Conditions and this Agreement. The Agents shall be under no obligation to perform any implied duty.
- 2.3 The obligations of the Agents hereunder are several and not joint.

3. AUTHENTICATION; TRANSFER AND EXCHANGE OF BONDS

- 3.1 Upon and subject to the terms of this Agreement and the Conditions, the Issuer shall immediately before issue, deliver to the Registrar, one or more duly executed Registered Global Certificates accompanied by an Officers’ Certificate directing the Registrar to

authenticate them. The Registrar (or its agent on its behalf) shall authenticate each Registered Global Certificate and deliver it, to the order of the Issuer, to either (i) a common depository acting on behalf of a Clearing System (if applicable) or (ii) the Bond Custodian appointed by the Issuer to hold the Registered Global Certificates on behalf of the Bondholders in accordance with the terms of the Custody Agreement.

- 3.2 If a Registered Global Certificate is, pursuant to its provisions and Condition 3.4, to be exchanged for Definitive Certificates, the Issuer will cause sufficient Definitive Certificates (unauthenticated and with the names of the registered holders left blank but executed on behalf of the Issuer and otherwise complete) to be delivered to the Registrar in sufficient quantities and in sufficient time for such Definitive Certificates to be issued as provided in the Registered Global Certificate, and the Registrar will authenticate the same. The Registrar is authorised by the Issuer to authenticate the Registered Global Certificate and Definitive Certificates by the signature of any of its officers or any other person duly authorised for the purpose by the Registrar.
- 3.3 To receive such individual Definitive Certificates, a person with an interest in the Bonds or Bond Interests represented by a Registered Global Certificate must provide the Registrar with a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute, authenticate and deliver such individual Definitive Certificates; and
- 3.4 Any transfer of an interest in the Bonds, made within thirty (30) calendar days of an exchange of a Registered Global Certificate for Definitive Certificates (a “**Non-Registration Period**”) shall not be recorded in the Register until after such Non-Registration Period.
- 3.5 Upon receipt of the documents referred to in Clause 3.3, the Registrar shall arrange for the execution and delivery, to or upon the order of the person named in such order referred to in Clause 3.3, of an individual Definitive Certificate registered in the name or names requested by such person or persons and the Registrar shall revise the entries in the Register in respect of the Bonds accordingly, and cancel the relevant Registered Global Certificate.
- 3.6 The Issuer and the Registrar may, in addition to the terms of this Agreement relating to the creation and maintenance of the Register and the Ledger and to the procedures relating to the transfer of Bonds or Bond Interests, enter into agreements (including, without limitation, by amendments to this Agreement) relating to the maintenance of the register of members of the Issuer (as holders of its shares) and the recording of transfers of Shares. Any such agreement must comply with all relevant provisions of Icelandic law but otherwise shall be on such terms as the Issuer and the Registrar may agree in writing.

4. PAYMENT OF PRINCIPAL ON THE BONDS

- 4.1 On each applicable Determination Date (as such term is defined in the Conditions) in respect of either a Payment Date or an Unscheduled Payment, or as soon as reasonably practicable thereafter, the Issuer will notify the Principal Paying, Transfer and

Conversion Agent (a) in respect of a Payment Date, of its determination as regards whether it believes the Euro Equivalent Available Cash will be sufficient to exceed the Distribution Threshold in accordance with Condition 9.1(a), or (b) in respect of an Unscheduled Payment Date, confirming that it intends to make a payment.

- 4.2 The Issuer will, by 10.00 a.m. (London time) on the Business Day prior to which any payment of principal in respect of the Bonds becomes due (the “**Transfer Date**”), transfer to the Principal Paying, Transfer and Conversion Agent such amount as may be required for the purposes of such payment. The Issuer shall procure that the bank through which the payment to the Principal Paying, Transfer and Conversion Agent by authenticated SWIFT is made, receives the required funds no later than 10.00 a.m. (London time) on the second Business Day immediately prior to the due date for any such payment. In this Clause 4, the date on which a payment in respect of the Bonds becomes due means the date on which the relevant payment in cash becomes due under the Conditions. The amount of any such payment of principal that is determined to be due in respect of the Bonds shall be notified by the Issuer to the Principal Paying, Transfer and Conversion Agent no later than final notification of the same is made to the Bondholders pursuant to Conditions 9.1(c) and 9.2(a)(iii) and by 10:00 a.m. (London time) on a day that is at least one (1) Business Day prior to the Transfer Date.
- 4.3 The Principal Paying, Transfer and Conversion Agent will forthwith notify by facsimile transmission or e-mail each of the other Agents, the Bond Custodian, the Trustee, the U.S. Trustee and the Issuer if it has not, by the Transfer Date, received the full amount so payable on such date.
- 4.4 If the Principal Paying, Transfer and Conversion Agent has received, by the Transfer Date, the full amount so payable on such date, the Principal Paying, Transfer and Conversion Agent, subject to and in accordance with the Conditions, shall pay on behalf of the Issuer, the relevant amounts due to holders of Bonds or Bond Interests (as directed by the Bond Custodian), on the applicable due date (which shall be one Business Day after the Transfer Date). If any payment provided for in Clause 4.1 is made after the Transfer Date but otherwise in accordance with the provisions of this Agreement, the Principal Paying, Transfer and Conversion Agent may nevertheless pay such amounts. However, unless and until the full amount, in cleared funds, of any such payment has been received by the Principal Paying, Transfer and Conversion Agent, it will not be bound (but shall be entitled) to make any such payments.
- 4.5 Bondholders are not entitled to any interest or other payment for any delay after the due date in receiving the amount due as a result of the due date not being a Business Day.
- 4.6 Subject to receipt of funds pursuant to Clause 4.1, the Principal Paying, Transfer and Conversion Agent will on demand promptly reimburse the Agents for payments in respect of the Bonds properly made by them in accordance with the Conditions and this Agreement. If the Principal Paying, Transfer and Conversion Agent pays out on or after the due date therefor on the assumption that the corresponding payment by the Issuer has been or will be made and such payment has in fact not been so made by the Issuer, then the Issuer shall on demand reimburse the Principal Paying, Transfer and Conversion

Agent for the relevant amount, and pay interest to the Principal Paying, Transfer and Conversion Agent on such amount from the date on which it is paid out to the date of reimbursement at an amount equal to the cost to the Principal Paying, Transfer and Conversion Agent of funding the amount paid out, as certified by the Principal Paying, Transfer and Conversion Agent.

- 4.7 If the Principal Paying, Transfer and Conversion Agent has not received, by the Transfer Date, the full amount payable on such date but receives such full amount later it will forthwith:
- 4.7.1 so notify the other Agents, the Bond Custodian, the Trustee and the U.S. Trustee; and
- 4.7.2 upon request by the Trustee, give notice to the Bondholders in accordance with the Conditions that it has received such full amount.
- 4.8 All sums payable on the Bonds to the Principal Paying, Transfer and Conversion Agent hereunder will be paid in Euros in immediately available funds to such account and with such bank in London as the Principal Paying, Transfer and Conversion Agent may from time to time notify to the Issuer.
- 4.9 The Principal Paying, Transfer and Conversion Agent may deal with moneys paid to it under this Agreement in the same manner as other moneys paid to it as a banker by its customers except that (1) it may not exercise any lien, right of set-off or similar claim in respect of them; (2) it shall not be liable to any person for interest on any sums held by it under this Agreement; and (3) it shall not be obliged to segregate such moneys, except as required by law. Any moneys paid to the Principal Paying, Transfer and Conversion Agent shall not be subject to the UK Financial Conduct Authority's rules on client money as set out in its client assets sourcebook.

5. **REPAYMENT AND EARLY REDEMPTION**

- 5.1 As soon as practicable after:
- 5.1.1 the certificate in respect of any Bond is deposited with the Principal Paying, Transfer and Conversion Agent upon the conversion of such Bonds, or any Bond is redeemed by the Issuer or is purchased or cancelled, or becomes void by prescription pursuant to the Conditions; and/or
- 5.1.2 the Trust Deed is satisfied in full and discharged with respect to the Bonds,
- all moneys then held by any Paying, Transfer and Conversion Agent with respect to the Bonds shall, upon demand of the Issuer, be repaid to it or paid to the Trustee (as specified by the Issuer) and thereupon such Paying, Transfer and Conversion Agent shall be released from all further liability with respect to such moneys.
- 5.2 Notwithstanding the foregoing, the Principal Paying, Transfer and Conversion Agent shall not be obliged to make any repayment to the Issuer, for so long as any amounts

which, under this Agreement, should have been paid to or to the order of the Principal Paying, Transfer and Conversion Agent by the Issuer shall remain unpaid. The Principal Paying, Transfer and Conversion Agent shall not, however, be otherwise required or entitled to repay any sums received by it under this Agreement.

6. CONVERSION

- 6.1 Subject as provided herein and in the Conditions, in the case of a Mandatory Issuer Conversion or Partial Issuer Conversion (as defined in Conditions 6.1 and 6.2), the Issuer may trigger a conversion of some or all of the Bonds upon giving not more than sixty (60) and not less than twenty (20) calendar days' prior notice to the Bondholders, at its own expense and in accordance with Condition 16, by making available on the Issuer's Bondholder Website, a form of Conversion Notice, attaching a form of Settlement Instruction for completion by each Bondholder that is subject to the conversion of its holding of Bonds. On or around the time that such Conversion Notice is published (duly completed and signed), the Issuer shall provide a copy of such Conversion Notice to the Principal Paying, Transfer and Conversion Agent.
- 6.2 Upon receipt of the Conversion Notice referred to in Clause 6.1 above, the Principal Paying, Transfer and Conversion Agent shall:
- 6.2.1 accept delivery of (i) the signed Conversion Notice and (ii) each Settlement Instruction subsequently received from a Bondholder or person acting on its behalf;
 - 6.2.2 check that each Settlement Instruction received in accordance with Clause 6.2.1 above has been properly completed by each Bondholder or person acting on its behalf;
 - 6.2.3 return any Settlement Instructions to a Bondholder or person acting on its behalf with a request for further information, in circumstances where such Settlement Instruction is either illegible, incomplete or otherwise deemed to be unsatisfactory in the discretion of the Principal Paying, Transfer and Conversion Agent, acting reasonably; and
 - 6.2.4 where the Bonds subject to conversion are represented by a Registered Global Certificate, (i) the Registered Global Certificate shall be annotated by the Registrar to take account of such exercise and returned to the holder thereof, (ii) the holding of a beneficial interest in the Registered Global Certificate by an accountholder of any Clearing System in which the Registered Global Certificate is held at such time in respect of which Conversion Rights are exercised, if applicable, will (to the extent possible) be confirmed by the Principal Paying, Transfer and Conversion Agent with the relevant Clearing System and (iii) in the event that the Bonds are not admitted to a Clearing System or issued in definitive form, the Registrar shall update the Ledger to reflect the effect of the conversion on the holdings of Bond Interests.

6.3 As soon as practicable, following receipt of all (or a majority of all) Settlement Instructions in accordance with Clause 6.2, the relevant Paying, Transfer and Conversion Agent shall:

6.3.1 notify the Issuer in writing and send a copy of such notice to the Registrar of the following:

- (i) the number of Class A Shares to be issued or transferred and delivered; and
- (ii) the name(s) and address(es) of the person(s) in whose name(s) the Class A Shares are to be registered, showing against each such name the number of Class A Shares to be registered in that person's name and the address to which the Class A Share certificates (if any) are to be dispatched in accordance with the Conversion Notice.

6.4 The Issuer and the Agents respectively undertake to comply with the Conditions with respect to conversion of the Bonds and (where so required in accordance with the Conditions) the Issuer undertakes to procure that Class A Shares are delivered in accordance with the provisions hereof and the Conditions.

7. AMOUNTS HELD ON TRUST

7.1 Each Agent, including the Principal, Paying, Transfer and Conversion Agent shall, upon the request of the Issuer, execute and deliver to the Trustee an instrument in which such Paying, Transfer and Conversion Agent shall agree with the Trustee and the U.S. Trustee, subject to the provisions of this Clause 7:

7.1.1 that it will hold sums held by it as such Paying, Transfer and Conversion Agent for the payment of the principal of and premium, if any, on the Bonds in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will notify the Trustee of the receipt of sums to be so held;

7.1.2 that it will give the Trustee, notice of any failure by the Issuer to make any payment of the principal of or premium, if any, on the Bonds when the same shall be due and payable; and

7.1.3 that at any time when any such failure has occurred and is continuing, it will, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying, Transfer and Conversion Agent.

8. TRUSTEE

8.1 At any time after an Event of Default shall have occurred and is continuing in relation to the Bonds, the Trustee may (and shall, subject to Section 9.2.3 of the Trust Deed (*Trustee's Discretion*)), if instructed by the U.S. Trustee or a holder or holders of at least

one quarter in principal amount of the Bonds Outstanding or directed by an Extraordinary Resolution of Bondholders):

8.1.1 by notice in writing to the Issuer and the Agents, require the Agents, or any of them, until notified by the Trustee to the contrary, so far as permitted by any applicable law:

- (i) to act thereafter, until otherwise instructed by the Trustee, as agents of the Trustee under the provisions of the Trust Deed on the terms provided in this Agreement (with consequential amendments as necessary and save that the Trustee's liability under any provisions thereof for the indemnification, remuneration and payment of out-of-pocket expenses of the Agents shall be limited to amounts for the time being held by the Trustee on the trusts of the Trust Deed and available to the Trustee for such purpose) and thereafter to hold all Bonds and all sums, documents and records held by them in respect of the Bonds on behalf of the Trustee; and/or
- (ii) to deliver all Bonds, all sums, documents and records held by them in respect of the Bonds to the Trustee or as the Trustee shall direct in such notice provided that such notice shall be deemed not to apply to any documents or record which the relevant Agent is obliged not to release by any law or regulation; and

8.1.2 by notice in writing for the Issuer, require it to make all subsequent payments in respect of the Bonds to or to the order of the Trustee and with effect from the issue of any such notice until such notice is withdrawn, proviso 2.2.1 to Section 2.2 of the Trust Deed and (so far as it concerns the Issuer), Section 8.3 (*Payments to Bondholders*) of the Trust Deed shall cease to have effect.

8.2 The Issuer shall forthwith notify the Principal Paying, Transfer and Conversion Agent of any change in the person or persons acting as the Trustee or the U.S. Trustee.

9. CANCELLATION, DESTRUCTION AND RECORDS

9.1 All Bonds which (i) have been converted, (ii) have been purchased by the Issuer or (iii) have been confirmed by the Issuer as being Excess Bonds that will be surrendered for cancellation (and not redistributed to Bondholders in accordance with Condition 8.2), shall be cancelled at the written instruction of the Issuer by the removal of the relevant Bondholder's name from the Register (including from the Ledger (as defined in Clause 10.2) in the case of Bond Interests) by the Registrar and cancellation of the relevant Bonds (or appropriate amendment of the Registered Global Certificate if the Bonds are represented thereby) by the Agent to whom such Bonds were surrendered or deposited. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Registrar and such Bonds or Bond Interests may not be reissued or resold. Such Agent shall promptly give to the Principal Paying, Transfer and Conversion Agent all details of the cancelled Bonds or Bond Interests required by the Principal Paying, Transfer and

Conversion Agent for the purposes of this Clause 9 (unless the Paying, Transfer and Conversion Agent is itself the Registrar).

- 9.2 If the Issuer purchases any Bonds or Bond Interests, the Issuer shall, if such Bonds or Bond Interests are to be cancelled, notify the Registrar and procure that such Bonds or Bond Interests are cancelled forthwith on the Register and sent (in the case of Bonds in definitive registered form) to the Registrar.
- 9.3 The Principal Paying, Transfer and Conversion Agent shall, if requested to do so, as soon as practicable furnish to each of the Issuer and the Trustee a certificate stating (i) the aggregate principal amount of Bonds or Bond Interests which have been redeemed or converted or cancelled, (ii) the aggregate amounts paid in respect of the Bonds or Bond Interests redeemed and cancelled and the serial numbers (if any) of such cancelled Bonds.
- 9.4 If instructed by the Issuer, the Agent by or through which Bonds are presented for conversion or redemption and in respect of which payment has been made or conversion effected, shall destroy the cancelled Bonds in its possession and upon request, furnish each of the Issuer and the Trustee with confirmation of such destruction which shall list the serial numbers of the Bonds in numerical sequence.
- 9.5 The Principal Paying, Transfer and Conversion Agent or the Registrar shall keep a full and complete record of all Bonds issued, of the redemption or conversion of the Bonds and the payments made in respect thereof and of the cancellation, payment, surrender for replacement and destruction of Bonds and make such records available at all reasonable times during normal business hours to the Issuer and the Trustee.

10. DUTIES OF THE REGISTRAR

- 10.1 The Registrar shall, so long as any Bond remains outstanding, maintain a register containing one or more sub-ledgers (if required) (the “**Register**”) for the purpose of recording (i) the certificate number(s) (if applicable) of the Bonds (ii) their nominal amounts, (iii) the applicable dates of issue (iv) all subsequent transfers and changes of ownership in respect thereof, (v) the names and addresses of the holders, and (vi) details of the date on which the Bonds are redeemed or converted or purchased and cancelled.
- 10.2 For so long as the Bonds are represented by one or more Registered Global Certificates which have not been admitted into a Clearing System, such Bonds shall be held by and registered in the nominee name of the Bond Custodian (Embassy & Co.) in accordance with the terms of the Custody Agreement. The Registrar shall establish and maintain a sub-ledger of the Register (the “**Ledger**”) in accordance with the information provided to it by the Issuer as to the entitlement of its creditors to receive beneficial entitlements to holdings of Bonds (“**Bond Interests**”) under the Composition and the calculation of the Bond Interests to be held by Securities Escrow Agent in accordance with the terms of the Securities Escrow Agreement. The Ledger shall record (i) the principal amount of each Bond Interest, (ii) the names and addresses of each initial underlying beneficial holder (iii) the applicable dates of issue (iv) all subsequent transfers and changes of ownership in respect thereof and (v) details of the date on which the Bond Interests are redeemed or

converted or purchased and cancelled. The Registrar shall be entitled to rely entirely on the Issuer in relation to the names of the creditors who are entitled to receive a Bond Interest under the Composition (and the calculation of the Bond Interests to be held by the Securities Escrow Agent in accordance with the terms of the Securities Escrow Agreement) and the respective entitlement of such creditors and the Securities Escrow Agreement and shall not be under any duty or obligation to conduct any investigation as to the entitlement of any such creditor or the Securities Escrow Agent.

- 10.3 To the extent that the Alternative Settlement procedures are implemented in full in accordance with Condition 7 or an Exchange Event occurs, the Registrar shall have no further obligations with respect to the recording of Bond Interests in the Ledger. All other duties of the Registrar, however, shall remain as set-out herein.
- 10.4 The Registrar shall at all reasonable times during normal office hours make the Register (including the Ledger) available to the Issuer, the Bond Custodian, the Trustee, the U.S. Trustee, the other Agents or any person authorised by any of them for inspection and for the taking of copies thereof or extracts therefrom and the Registrar shall deliver to such persons all such lists of holders of Bonds or Bond Interests, as the case may be, their addresses, holdings and other details as they may request. The Register will include a record of the certificate number of each Definitive Certificate which is issued. If instructed by the Issuer, the Registrar shall promptly deliver or procure the delivery to the Issuer of an up-to-date copy of the Register (including the Ledger) certified as being a true, accurate and complete copy, and such copy shall be kept at all times at the registered office of the Issuer. The Register (and Ledger) will, in the case of divergence from the copy, prevail.

11. DUTIES OF THE REGISTRAR IN RESPECT OF TRANSFERS

- 11.1 The Registrar will receive each request for the transfer of Bonds or Bond Interests in the form of a completed and fully executed Transfer Notice (or counterpart Transfer Notice), as provided by e-mail from each applicable Transferor and Transferee (as defined in the Transfer Regulations) in accordance with the Transfer Regulations. The Registrar will also receive, by e-mail, all relevant KYC Information (as defined in the Conditions) in respect of such a transfer or any Definitive Certificate held by it and any share certificate relevant to the shares that are stapled to the applicable Bonds or Bond Interests which are the subject of the Transfer Notice or counterpart Transfer Notice (together the “**Transfer Information**”). Upon receipt of the Transfer Information, the Registrar will check the documentation received to ensure that it is complete and complies with the requirements specified in the Transfer Regulations.
- 11.2 To the extent that the Registrar is satisfied that the Transfer Notice is complete, it will provide the Issuer with (1) confirmation of the same via e-mail, along with (2) verification of Section 5(a) or 3(a) (as applicable) of the Transfer Form (the aggregate principal amount of Bonds or Bond Interests that the Transferor will hold following completion of the transfer) (together, a “**Transfer Confirmation**”) and (3) access to the Transfer Information.

- 11.3 Upon receipt of a Transfer Confirmation from the Registrar, the Issuer shall:
- 11.3.1 update the Share Register (as defined in the Transfer Regulations) to reflect the transfer of Shares from the Transferor to the Transferee; and
 - 11.3.2 provide the Registrar with:
 - (i) confirmation that (1) all requirements for transfer of Shares have been met and (2) the Share Register has been so updated; and
 - (ii) if applicable, confirmation in the form of an Officers' Certificate to authenticate and issue new Definitive Certificates in accordance with the Transfer Regulations and deliver them to or as may be directed by the Registrar.
- 11.4 In the event that any Transfer Information received by the Registrar from a Transferor or a Transferee is determined by the Registrar to be incomplete, the Registrar will send a Transfer Rejection Notice (as defined in the Transfer Regulations) to the Transferor and the Transferee in accordance with the Transfer Regulations and follow the procedure set out in accordance with the Transfer Regulations.
- 11.5 The Registrar will carry out such other acts as may be reasonably necessary to give effect to the Conditions, the Transfer Regulations and the other provisions of this Agreement.

12. **DUTY OF CARE OF THE REGISTRAR**

- 12.1 Unless otherwise specified herein, the Registrar shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under the Transfer Regulations, the Conditions or the Articles of Association or under applicable law with respect to any transfer of any interest in the Bonds, Bond Interests or the Shares, other than to require delivery of the items listed as Transfer Information as and when they are expressly required by the Transfer Regulations.
- 12.2 The Registrar shall have no duty or responsibility to monitor or otherwise investigate the actions or omissions of the Issuer or Issuer's agents.
- 12.3 The Registrar shall have no duty to maintain or defend any legal proceeding, regardless of an offer of indemnification, to the Registrar's satisfaction, against all expenses and liabilities which it may sustain by reason thereof.
- 12.4 The Registrar shall have no duty to question whether any instruction received from the Issuer's e-mail address, or the underlying e-mail account, is unreliable or has been compromised, such as by identity theft.
- 12.5 The Registrar shall have no obligation to act in accordance with purported instructions to the extent that they conflict with applicable law or regulations but has no duty to determine whether or not there is such a conflict. The Registrar shall not be liable for any loss resulting from a reasonable delay while it obtains clarification of any instructions.

- 12.6 The Registrar shall not be deemed to have notice of any fact, claim or demand with respect hereto unless an officer charged with responsibility for administering this Agreement receives such notice in writing and specifically referencing this Agreement.
- 12.7 The permissive right of the Registrar to take any action hereunder shall not be construed as a duty.
- 12.8 The Registrar may act or exercise its duties or powers hereunder through agents, sub-registrars or attorneys and the Registrar shall not be liable or responsible for the actions or omissions of any such party appointed with reasonable due care; provided, that no such appointment shall relieve the Registrar of its obligations hereunder.

13. DOCUMENTS AND FORMS FOR THE REGISTRAR

- 13.1 If the Registered Global Certificate is, pursuant to its provisions, to be exchanged for Definitive Certificates, the Issuer will deliver to the Registrar for the performance of its duties hereunder:

13.1.1 a supply of duly executed Definitive Certificates sufficient to meet the Registrar's anticipated requirements for Definitive Certificates in reasonably sufficient time for the issue of the Definitive Certificates; and

13.1.2 from time to time thereafter so long as any Definitive Certificates remain outstanding, sufficient additional duly executed Bonds as may be required for the performance of the Registrar's duties.

- 13.2 The Registrar shall maintain in safe custody all Bonds delivered to and held by it and shall ensure that Bonds are issued only in accordance with the Conditions (including the provisions of the Registered Global Certificates) and the provisions of this Agreement.
- 13.3 Within seven days of any request therefor by the Issuer or the Principal Paying, Transfer and Conversion Agent, so long as any of the Bonds remain outstanding, the Registrar shall certify to the Issuer and the Principal Paying, Transfer and Conversion Agent the number of Definitive Certificates held by it hereunder.

14. ISSUE OF REPLACEMENT DEFINITIVE CERTIFICATES

- 14.1 If instructed by the Issuer in an Officers' Certificate, the Registrar will, subject to and in accordance with the Conditions and the following provisions of this Clause 14, authenticate and deliver or cause to be authenticated and delivered any replacement Definitive Certificates which the Issuer may determine to issue or deliver in place of Definitive Certificates which have been mutilated, defaced, lost, stolen or destroyed.
- 14.2 The Registrar will verify the outstanding number of Bonds held by a Bondholder that is seeking replacement of a Definitive Certificate that has been mutilated, defaced, lost, stolen or destroyed. Upon completion of such verification, the Registrar will insert the principal amount of Bonds held by the applicable Bondholder in the replacement Definitive Certificate.

14.3 The Registrar shall not deliver or cause to be delivered any replacement Definitive Certificate unless and until the applicant therefor shall have:

14.3.1 paid such costs as may be incurred in connection therewith;

14.3.2 furnished the Registrar with such evidence (including evidence as to the identifying number of the Definitive Certificate in question if known) and indemnity as the Issuer and the Registrar may reasonably require; and

14.3.3 surrendered to the Registrar any mutilated or defaced Definitive Certificate to be replaced.

Mutilated or defaced Definitive Certificates must be surrendered before replacements will be issued.

14.4 The Registrar shall cancel or procure the cancellation of any mutilated or defaced Definitive Certificates replaced by it pursuant to this Clause 14 and shall furnish the Issuer and the Trustee with a certificate stating the identifying numbers (if known) of the Definitive Certificates so cancelled and, if instructed in writing by the Issuer, may destroy or procure the destruction of such cancelled Definitive Certificates and upon request furnish the Issuer and the Trustee with confirmation of such destruction.

14.5 The Registrar shall, on delivering any replacement Definitive Certificate, forthwith inform the Issuer, the Trustee and each of the other Agents, of the certificate number of the replacement Definitive Certificates.

14.6 The Registrar shall keep a full and complete record of all replacement Definitive Certificates delivered and shall make such record available at all reasonable times during normal business hours to the Issuer, the Trustee and the Principal Paying, Transfer and Conversion Agent.

14.7 Whenever any Definitive Certificates alleged to have been lost, stolen or destroyed in replacement for which a new Definitive Certificate has been issued, shall be surrendered, or delivered to a Paying, Transfer and Conversion Agent prior to payment or for conversion or transfer, the relevant Agent shall, as soon as reasonably practicable, send notice thereof to the Issuer and the Principal Paying, Transfer and Conversion Agent.

15. INFORMATION AND REGULATIONS COVERING THE BONDS

15.1 Each Agent will give to the other Agents such further information in its possession with regard to their activities hereunder as may reasonably be required by them for the proper carrying out of their respective duties.

15.2 The Issuer may, subject to the Conditions, from time to time with the approval of the Registrar, promulgate regulations concerning the carrying out of transfers of the Bonds and the Bond Interests and the forms and evidence to be provided (“**Transfer Regulations**”). All such transfers will be made subject to the Transfer Regulations.

16. DOCUMENTS AND FORMS

The Issuer shall send to the Paying, Transfer and Conversion Agent and/or the Registrar:

- (a) sufficient copies of all documents required by the Bonds or the Conditions to be available for issue or inspection (and the Paying, Transfer and Conversion Agents shall make them so available to Bondholders); and
- (b) as required, forms of proxy, together with instructions as to how to complete, deal with and record the issue of such forms (and the Paying, Transfer and Conversion Agents and/or the Registrar shall make such documents available to Bondholders).

The Paying, Transfer and Conversion Agent agrees that the documents which they shall make available for inspection shall include the documents listed in (b) above.

17. NOTICES IN RESPECT OF THE BONDS

- 17.1 On behalf of and at the expense of the Issuer, the Principal Paying, Transfer and Conversion Agent shall, if requested, assist the Issuer with the posting (in accordance with Condition 16) of all notices (in a form approved by the Issuer) required to be given to Bondholders (including, for the avoidance of doubt, holders of Bond Interests) via the Bondholder Website at www.lbi.is. In the case of the Global Registered Certificate being held through or on behalf of Euroclear and Clearstream, Luxembourg or any alternative Clearing System (where applicable), a notice will be deemed to have been delivered to Bondholders if such notice is sent to the applicable Clearing System for distribution.
- 17.2 The Principal Paying, Transfer and Conversion Agent shall promptly send to the Issuer, the Trustee, the U.S. Trustee and the Registrar and the Bond Custodian a copy of the form of every notice given to Bondholders in accordance with the Conditions.

18. INDEMNITIES

- 18.1 The Issuer shall indemnify each of the Agents (which shall be deemed to include their respective officers, directors, employees and agents) against any loss, liability, cost, claim, action, demand or expense (including; but not limited to, all counsel fees and expenses, costs, charges and expenses paid or properly incurred, including in disputing or defending the foregoing) which such Agent may incur or which may be made against it, as a result of or in connection with preparation, execution and delivery of this Agreement and its appointment or the exercise of its powers and performance of its duties hereunder, or under the Conditions, the Trust Deed, or the Bonds, or any related documentation, except as may result from its wilful misconduct, gross negligence or that of its directors, officers, employees or agents.
- 18.2 Notwithstanding any provision of this Agreement to the contrary, none of the parties hereto shall in any event be liable to any other party for special, indirect, punitive or consequential loss, liability, or damage of any kind whatsoever (including but not limited to lost profits), whether or not foreseeable and whether or not the other parties hereto have been advised of the likelihood of such loss, liability or damage and regardless of

whether the claim for loss, liability or damage is made in negligence, for breach of contract or otherwise.

- 18.3 The indemnities contained in this Clause 18 shall survive the termination or expiry of this Agreement, and the resignation or removal of any of the Agents.
- 18.4 The indemnities in this Clause 18 constitute separate and independent obligations from the other obligations in this Agreement, will give rise to separate and independent causes of action, will apply irrespective of any indulgence granted by the Agents and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Agreement or any other judgment or order. Any such loss as referred to in this Clause 18 shall be deemed to constitute a loss suffered by the Agents and no proof or evidence of any actual loss shall be required by the Issuer or their liquidator or liquidators.
- 18.5 For the avoidance of doubt, in respect of a claim by any Agent under the indemnities granted by this Clause 18 with respect to any loss, liability, cost, claim, action, demand or expense, such Agent and its Affiliates shall not be entitled to double recovery in relation to such indemnity or equivalent indemnities in any other Transaction Document.

19. **GENERAL**

- 19.1 Save as otherwise provided herein, the Agents shall act solely for and as agents of the Issuer and shall not owe any fiduciary duty to any Bondholder or any other person or have any obligations towards or relationship of agency or trust for any Bondholder and shall be responsible only for the performance of the duties and obligations expressly imposed upon them in this Agreement and the Conditions and any duties necessarily identical to them.
- 19.2 The Agents shall be entitled to obtain advice of such professional advisers (including lawyers or financial advisers) as they may deem appropriate (acting reasonably and in good faith), the reasonable cost of which shall be reimbursed by the Issuer, so long as the costs are properly incurred in relation to the relevant Agent's duties and obligations under this Agreement. The Agents shall be entitled to rely on such advice and shall incur no liability as a result of any actions or omissions undertaken in reliance on such advice.
- 19.3 The Agents shall (except as ordered by a court of competent jurisdiction or as required by law or otherwise instructed by the Issuer, with the approval of the Trustee) be entitled to treat the registered holder of any Bond or Bond Interest as the absolute owner or owners of such Bond or Bond Interest for all purposes (whether or not overdue and notwithstanding any notice of ownership or writing thereon or any notice of previous loss or theft or of trust or other interest therein) and shall not be liable for so doing.
- 19.4 No Agent shall exercise any right of set-off or lien against the Issuer, the Trustee, the U.S. Trustee or the holder of any Bond or Bond Interest in respect of any moneys payable to or by it under the terms of this Agreement.

- 19.5 The Issuer agrees (i) upon request and to the extent practicable, to provide to the Agents sufficient information known to the Issuer in respect of the Bondholders and holders of Bond Interests, such that the Agents can determine whether any Agent has tax related obligations under applicable law, and (ii) that the Agents shall be entitled to make any withholding or deduction from payments under the Trust Deed, the Bonds or this Agreement to the extent necessary to comply with applicable law. The terms of this section shall survive the termination of this Agreement.
- 19.6 No Agent nor any of such Agent's officers, directors and employees shall be precluded from acquiring, holding or dealing with any Bond or from engaging or being interested in any contract or other financial or other transaction with the Issuer or any of their respective subsidiaries or from acting on, or as depository, trustee or agent for, any committee or body of Bondholders or other obligations of the Issuer or any of their respective subsidiaries as freely as if it were not an Agent hereunder and in no event whatsoever shall any Agent be liable to account to the Issuer or any Bondholder for any profit made or fees or commissions received in connection therewith.
- 19.7 No Agent shall be under any duty to monitor compliance with U.S. federal or state securities or other laws, or any laws of any other jurisdiction.
- 19.8 No provision of this Agreement shall require any Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in exercise of any of its rights or powers.
- 19.9 The Agents shall not be liable for any error of judgment, or for any act done or step taken or omitted by any Agent in good faith or for any mistake in act or law, or for anything which it may do or refrain from doing in connection herewith, unless such action constitutes gross negligence or wilful misconduct on its part or the reckless disregard of its duties hereunder.
- 19.10 Except as provided in the immediately preceding paragraph, the Agents may conclusively rely (as to the truth of statements and the correctness of the opinions expressed therein) and shall be fully protected in acting or refraining from acting upon, any certificates, statements, instruments, opinions, reports, notices, requests, consents, orders, approvals or other papers or documents reasonably believed by them to be genuine and have been furnished to the Agents, delivered, signed or presented by the proper party or parties and which conform to the requirements of this Agreement. The Agents shall also be entitled to do nothing, without liability, if conflicting or unclear instructions are received from the Issuer or (following a notice under Clause 8.1.1(i)) the Trustee, as the case may be.
- 19.11 In no event shall any Agent be liable for any failure or delay in the performance of its obligations hereunder because of circumstances beyond its reasonable control, including, but not limited to, acts of God, flood, war (whether declared or undeclared), terrorism, strikes, work stoppages, civil or military disturbances, nuclear or natural catastrophes, fire, riot, embargo, loss of malfunctions of utilities, communications or computer (software and hardware) services, government action, including any laws, ordinances,

regulations, governmental action or the like which delay, restrict or prohibit the providing of the services contemplated by this Agreement.

- 19.12 The Agents shall be entitled to seek written directions from the Issuer prior to taking any action under this Agreement.
- 19.13 The duties and obligations of the Agents shall be determined solely by the express provisions of this Agreement and the Agents shall not be liable except for gross negligence or wilful misconduct in the performance of, or the reckless disregard of, such duties and obligations as are specifically set out in this Agreement. The Agents shall be under no liability to any party hereto by reason of any failure on the part of any party hereto or any maker, guarantor, endorser or other signatory of any document or any other person to perform such person's obligations under any such document.
- 19.14 Neither the U.S. Trustee nor the Trustee will be liable or responsible for any act, omission, misconduct or negligence of any Agent.

20. CHANGES IN AGENTS

- 20.1 The Issuer may at any time with the prior written consent of the Trustee (such consent not to be unreasonably withheld or delayed):

- 20.1.1 appoint additional Agents; and/or

- 20.1.2 terminate the appointment of any Agent by giving to the Principal Paying, Transfer and Conversion Agent and (if not the Principal Paying, Transfer and Conversion Agent) to the relevant Agent whose appointment is to be terminated not less than sixty (60) calendar days' written notice to that effect, which notice shall expire not less than thirty (30) calendar days before or after any due date for any payment in respect of Bonds provided that termination may take immediate effect in case of insolvency of any Agent, in accordance with Clause 20.3.4 below,

provided that, subject to Clause 20.3.4, there will at all times be Agents complying with the requirements of the Conditions.

- 20.2 Subject to Clause 20.3 below, any Agent may, without liability, resign its appointment hereunder at any time by giving to the Issuer, the Trustee, the U.S. Trustee and (except in the case of the Principal Paying, Transfer and Conversion Agent) the Principal Paying, Transfer and Conversion Agent not less than sixty (60) calendar days' written notice to that effect.

- 20.3 Notwithstanding the foregoing Clauses:

- 20.3.1 no resignation by, or (subject to Clause 20.3.4) termination of the appointment of, the Principal Paying, Transfer and Conversion Agent or Registrar shall take effect until a replacement Principal Paying, Transfer and Conversion Agent or Registrar has been appointed. If, however, ten (10) calendar days before the expiry of the

notice period referred to in Clause 20.1 and 20.2 above, the Issuer has not appointed a replacement Principal Paying, Transfer and Conversion Agent or Registrar, the resigning Principal Paying, Transfer and Conversion Agent or Registrar may at the expense of the Issuer petition a court of competent jurisdiction to select a replacement Principal Paying, Transfer and Conversion Agent or Registrar which shall be a bank of international reputation with experience of performing such a role (provided that the fees and commissions proposed to be charged by such bank for performing such a role under this Agreement shall, in the opinion of an investment bank or bank of international repute selected at the expense of the Issuer by the resigning Principal Paying, Transfer and Conversion Agent, be comparable to those charged by other banks for such services) and which upon the expiry of the aforementioned notice period (but only if the Trustee approves such selection) the Issuer shall appoint as Principal Paying, Transfer and Conversion Agent or Registrar, unless in the meantime the Issuer shall have appointed a replacement Principal Paying, Transfer and Conversion Agent or Registrar;

- 20.3.2 no resignation by, or subject to Clause 20.3.4, termination of the appointment of any Agent shall take effect if, as a result of such resignation or termination, the proviso to Clause 20.1 would not be satisfied;
- 20.3.3 no appointment or termination of the appointment of an Agent shall take effect unless and until notice thereof shall have been given to the Bondholders in accordance with the Conditions;
- 20.3.4 notwithstanding any other provision of this Clause 20, the appointment of any Agent shall forthwith terminate if such Agent becomes incapable of acting, is adjudged bankrupt or insolvent, files a voluntary petition in bankruptcy, makes an assignment for the benefit of its creditors, consents to the appointment of a receiver, administrator or other similar official of all or a substantial part of its property or assets or admits in writing its inability to pay or meet its debts as they fall due or suspends payment thereof, or if a resolution is passed or an order made for the winding-up or dissolution of such Agent or any analogous event under any applicable law;
- 20.3.5 if the appointment of the Principal Paying, Transfer and Conversion Agent hereunder is terminated, the Principal Paying, Transfer and Conversion Agent shall, on the date on which such termination takes effect, pay to the successor Principal Paying, Transfer and Conversion Agent any amount held by it for payment in respect of Bonds and pay to the Issuer any amounts held by it due to the Issuer (net of any amounts due to such Agent) and shall deliver to the successor Principal Paying, Transfer and Conversion Agent all Bonds held by it, all records maintained by it concerning the Bonds hereunder and all Conversion Notices, Settlement Instructions and Bonds held by it (if any); and
- 20.3.6 if the appointment of any Agent other than the Principal Paying, Transfer and Conversion Agent hereunder is terminated or any Agent other than the Principal

Paying, Transfer and Conversion Agent resigns its appointment hereunder, it shall on the date on which such termination takes effect deliver to the Principal Paying, Transfer and Conversion Agent all Conversion Notices, Settlement Instructions and all certificates held by it (if any) and all records maintained by it hereunder and shall pay to the Principal Paying, Transfer and Conversion Agent any amounts held by it for payment in respect of Bonds.

- 20.4 Upon the execution by the Issuer, the Trustee, the U.S. Trustee and any successor Principal Paying, Transfer and Conversion Agent of an instrument effecting the appointment of such successor Principal Paying, Transfer and Conversion Agent, such successor Principal Paying, Transfer and Conversion Agent shall, without any further act, deed or conveyance, become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as Principal Paying, Transfer and Conversion Agent herein and such predecessor shall thereupon become obliged to transfer, deliver and pay over, and such successor Principal Paying, Transfer and Conversion Agent shall be entitled to receive, all moneys, records, certificates, Settlement Instructions and Conversion Notices held by such predecessor (if any) as Principal Paying, Transfer and Conversion Agent hereunder, provided, however, no such appointment is effective until all amounts due and payable to the Agents have been paid in full by the Issuer.
- 20.5 Any corporation into which any Agent may be merged, or any corporation with which any Agent may be consolidated, shall on the date when such merger or consolidation becomes effective, and to the extent permitted by applicable law, become the successor Agent under this Agreement without the execution or filing of any paper or any further act on the part of the parties hereto, unless otherwise required by the Issuer, the Trustee or any relevant regulatory authority, and after the said effective date all references in this Agreement to such Agent shall be deemed to be references to such corporation. Notice of any such merger or consolidation shall forthwith be given to the Issuer and the Trustee.
- 20.6 The Issuer shall, not less than thirty (30) calendar days prior to the termination of the appointment of any Agent other than a termination pursuant to Clause 20.3.4, upon the appointment of any new Agent or the resignation of any Agent taking effect, or, if later, as soon as it is aware that such appointment or resignation will take effect, give to the Bondholders notice thereof in accordance with Condition 16.
- 20.7 If any Agent shall determine to change its specified office, it shall give to the Issuer, the Trustee and (unless the Agent is itself the Principal Paying, Transfer and Conversion Agent) the Principal Paying, Transfer and Conversion Agent, written notice of such determination giving the address of the new specified office and stating the date on which such change is to take effect, which date shall not be less than seventy five (75) calendar days after the date of such notice if such change would result in the proviso to Clause 20.1 not being satisfied, provided that no such notice shall take effect within the period of thirty (30) calendar days before or after any due date for any payment in respect of Bonds. Such Agent shall also, within thirty (30) calendar days after giving such notice (unless the appointment is to terminate pursuant to Clauses 20.1, 20.2 or 20.3 on or prior

to the date of such change), give to the Bondholders notice in accordance with the Conditions of such change and of the address of the new specified office.

21. FEES AND EXPENSES

- 21.1 The Issuer shall pay to the Agents, such fees and expenses (including the fees and expenses of Agents' counsel) in respect of the services of the Agents under this Agreement and related documentation as shall be agreed between the Issuer and the Principal Paying, Transfer and Conversion Agent. The Issuer shall not be concerned with the apportionment of payment among any other Agents.
- 21.2 In the event of any Agent being requested by the Issuer to undertake duties which that Agent and the Issuer agree to be of an exceptional nature or otherwise outside the scope of the normal duties of that Agent under this Agreement, the Issuer shall pay to that Agent such additional remuneration as shall be agreed between them.
- 21.3 The Issuer shall in addition pay to the Principal Paying, Transfer and Conversion Agent, an amount equal to the amount of any value added tax or similar tax chargeable in respect of its remuneration under this Agreement. Where any party is required by the terms of this Agreement to reimburse or indemnify any other party for any cost or expense, such first party shall reimburse or indemnify such other party for the full amount of such cost or expense, including such part thereof as represents VAT or similar tax chargeable in respect thereof.
- 21.4 The Issuer shall also pay or discharge all properly incurred costs, charges and expenses incurred by the Agent in relation to the preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, this Agreement, including but not limited to legal fees and expenses and travelling expenses and any stamp, issue, registration, documentary and other taxes or duties paid or payable by the Agent in connection with any action taken or contemplated by or on behalf of the Agent, as applicable, for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, this Agreement.
- 21.5 Unless otherwise specifically stated in any discharge of this Agreement the provisions of this Clause 21 shall continue in full force and effect notwithstanding such discharge.
- 21.6 All payments to be made by the Issuer to the Agents, as the case may be, under this Agreement shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within any relevant jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law and in that event, the Issuer shall pay such additional amounts as would have been received by it had no such withholding or deduction been required, provided that this Clause 21.6 is without prejudice to Condition 10.2 of the Conditions and the Issuer is therefore under no obligation to pay any additional amounts in respect of the Bondholders or the holders of beneficial interests in the Bonds as a result of any

withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges relating to payments under the Bonds.

21.7 Where payments are to be made pursuant to the Conditions or this Agreement:

- (i) Euro is the sole currency of account and payment for all sums payable by the Issuer under or in connection with this Agreement;
- (ii) an amount received or recovered in a currency other than Euro (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding up or dissolution of the Issuer or otherwise) by the Agents in respect of any sum expressed to be due to them from the Issuer will only discharge the Issuer to the extent of the Euro amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so); and if that Euro amount is less than the Euro amount expressed to be due to the recipient under this Agreement, the Issuer will indemnify the Agent against any loss sustained by it as a result. In any event, the Issuer will indemnify the recipient against the cost of making any such purchase.

22. PARTIAL INVALIDITY

If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality; validity or enforceability of such provisions under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

23. NOTICES AND COMMUNICATIONS

23.1 Any notice, demand, certificate or other document required to be given, made or served hereunder to any of the parties hereto shall be in the English language and shall be given in writing by letter, fax or e-mail as follows:

In the case of the Issuer:

Álfheimar 74,104
Reykjavík
Republic of Iceland

Fax: +354 420 3920
E-mail: HBackman@lbi.is
Attention: Halldor Backman

in the case of the Trustee:

Wilmington Trust (London) Limited,
Third Floor,
King's Arms Yard,
London EC2R 7AF

Fax: +44 20 7397 3601
Email: adminlondon@wilmingtontrust.com
Attention: The Directors

in the case of the U.S. Trustee:

Wilmington Trust, National Association,
Global Capital Markets,
Suite 2 R, 166 Mercer Street,
New York, NY 10012

Fax: 212 343 1079
Tel: 212 941 4415
Email: aberman@wilmingtontrust.com
Attention: Adam Berman

In the case of the Principal Paying, Transfer and Conversion Agent:

U.S. Bank National Association
C/o U.S. Bank Global Corporate Services
214 N. Tryon Street
27th Floor
Charlotte, NC 28202

Email: CDOAgencyServices.LBIhf@usbank.com
Attention: CDO Agency Services

And, in the case of the Registrar:

U.S. Bank National Association
C/o U.S. Bank Global Corporate Services
214 N. Tryon Street
27th Floor
Charlotte, NC 28202

Email: CDOAgencyServices.LBIhf@usbank.com
Attention: CDO Agency Services

or at such other address or on such other fax number or for the attention of such other person or department of which notice in writing has been given to the parties hereto in accordance with the provisions of this Clause 23.1. Any notice, demand, certificate or other document given as provided in this Clause 23.1 shall, if sent by letter, be deemed to

have been delivered seven (7) calendar days after the time of despatch and if sent by fax it shall be deemed to have been delivered at the time of despatch, provided that any such notice, demand, certificate or other document which would otherwise take effect after 4.00 p.m. on any particular day, shall not take effect until 10.00 a.m. on the immediately succeeding Business Day in the place of the addressee.

- 23.2 All communications relating to this Agreement between the Issuer, the Trustee and any of the Agents and between the Agents themselves shall, save as otherwise herein provided, be made through the Principal Paying, Transfer and Conversion Agent.

24. **AMENDMENTS**

This Agreement may be amended only by an agreement in writing between the parties hereto, save that the Trustee shall only agree without the consent of the Bondholders to such amendment if, in the opinion of the Trustee, such amendment is not materially prejudicial to the interests of the Bondholders. Any such amendment shall be binding on the Bondholders.

25. **COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original.

26. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

27. **GOVERNING LAW AND JURISDICTION**

- 27.1 **Governing Law:** This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with, English law.

- 27.2 **Jurisdiction:** In relation to any legal action or proceedings arising out of or in connection with this Agreement ("**Proceedings**"), each of the Issuer and the Agents irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts, whether on the grounds that the Proceedings have been brought in an inconvenient forum or otherwise. These submissions are made for the benefit of the parties hereto and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude any of them from taking Proceedings in any other court of competent jurisdiction (whether concurrently or not).

- 27.3 **Service of Process:** The Issuer agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to MoFo Notices Limited, at its registered office in England for the time being, currently Citypoint, One Ropemaker Street, London EC2Y 9AW, or at any other address for the time being at which process may be served in accordance with Part 37 of the Companies Act 2006 (as modified or re-

enacted from time to time). Nothing herein shall affect the right of the Principal Paying, Transfer and Conversion Agent to serve process in any other manner permitted by law.

[Signature pages overleaf]

In witness whereof, the duly authorised representatives of the parties hereto have caused this Agreement to be signed on their behalf.

SIGNED by,

LBI ehf., as Issuer

By: 

Name: HALLOSA BACKLUND

Title: DIRECTOR

By: 

Name: Kristian Aman

Title: Director

By: 

Name: HERDIS HALLMARSDOTTIR

Title: Director

SIGNED by,

Wilmington Trust (London) Limited, as Trustee

By: _____

Name:

Title:

By: _____

Name:

Title:

SIGNED by,

Wilmington Trust, National Association, as U.S. Trustee

By: _____

Name:

Title:

SIGNED by,

U.S. Bank National Association, as Principal Paying, Transfer and Conversion Agent

By: _____

Name:

Title:

SIGNED by,

U.S. Bank National Association, as Registrar

By: _____

Name:

Title:

SIGNED by,

U.S. Bank National Association, as Bond Custodian

By: _____

Name:

Title: