

DECISION OF THE FINANCIAL SUPERVISORY AUTHORITY (FME)

**On a second amendment to the decision of the FME dated 14 October 2008
on the disposal of assets and liabilities of
Glitnir Bank hf., ID no. 550500-3530, to New Glitnir Bank hf., ID no. 491008-0160.**

By the authority of Art. 100a of Act No. 161/2002 on Financial Undertakings, cf. Art. 5 of Act No. 125/2008, the FME has taken the following decision:

PREMISES:

The decision of the FME of 14 October 2008 stated that the decision was based on available information and data and that any changes to the decision were authorized should premises change or it should otherwise be deemed more suitable. The FME deems it necessary to revisit the prior decision to the extent that it deals with the valuation of assets and liabilities which were transferred to the new bank. It has not proved possible to complete the valuation in the timeframe allowed for in the prior decision (90 days from the original decision). This is a complicated task, which is more extensive than presumed. Further, the appointment of an independent appraiser took considerable time, so the valuation itself commenced later than planned. It is important that the job be done properly and that reasonable consultations take place with the Resolution Committees and representatives of claimants as far as possible. For these reasons it is necessary to extend the deadline to complete the valuation. It is not clear, however, how long of an extension is needed, but a decision on this will be taken no later than 15 February 2009. Therefore, the following decision is now taken to amend the last sentence of point 11 in the decision of the FME of 14 October 2008.

DECISION:

The conclusion of the appraisers shall be available according to a further decision of the FME. A decision on the final deadline shall be taken no later than 15 February 2009.

All provisions of former decisions in this case are unchanged.

THE FINANCIAL SUPERVISORY AUTHORITY

9 JANUARY 2009.

Jón Sigurðsson
Chairman of the Board

Jónas Fr. Jónsson
Director General