



Press Release

May 15, 2009

**SIGNING OF AGREEMENTS
CONCERNING SECONDARY MARKET ISSUANCE
AND MARKET MAKING
IN GOVERNMENT SECURITIES**

The Minister of Finance has assigned the Central Bank of Iceland the task of concluding agreements concerning secondary market issuance and market making in Government securities.

Members of the NASDAQ OMX Nordic Exchange Iceland (the Exchange) that can demonstrate, in a verifiable manner, that they have a minimum equity position of 5,000 m.kr. and are equipped to participate in auctions of Treasury securities held by the Central Bank of Iceland on behalf of the Treasury are invited to become parties to such agreements. The Central Bank intends to conclude agreements with four (4) or more Exchange members, who will become primary dealers.

Primary dealers have the exclusive right to submit bids at Central Bank of Iceland auctions, where Treasury securities are offered for purchase or sale. They also have access to securities lending facilities offered by the Central Bank on behalf of the Treasury.

Primary dealers will act as market makers for benchmark series of Treasury securities on the Exchange. Primary dealers are obliged to submit bid and ask quotes for a minimum of 100 m.kr. for each benchmark series of Treasury securities in accordance with the minimum spread specified in the agreements.

Further information can be found in the accompanying sample agreement concerning secondary market issuance and market making in government securities. Exchange members that wish to become primary dealers in Treasury securities shall appear at the offices of the Central Bank of Iceland, Kalkofnsvegur 1, Reykjavík, at 09:15 on Friday, May 22, 2009, in order to sign the pertinent agreement.

Further information can be obtained from Björgvin Sighvatsson, International and Market Department, Central Bank of Iceland, at +354 569 9600.