

THIS NOTICE CONTAINS IMPORTANT INFORMATION OF INTEREST TO HOLDERS AND BENEFICIAL OWNERS<sup>1</sup> OF THE SUBJECT SECURITIES.

ALL DEPOSITARIES, CUSTODIANS, AND OTHER INTERMEDIARIES ARE REQUESTED TO IMMEDIATELY RE-TRANSMIT THIS NOTICE TO BENEFICIAL OWNERS.

**SUBJECT SECURITIES: Landsbanki Íslands hf.** (now known as LBI ehf.)

CUSIP/ISIN Numbers <sup>2</sup>	Name of Security
5150X0AB7 / US5150X0AB77 5150X1AB5 / US5150X1AB50	Floating Rate Senior Notes, due 2009
5150X0AA9 / US5150X0AA94 5150X1AA7 / US5150X1AA77	6.10% Senior Notes, due 2011
5150X0AD3 / US5150X0AD34 5150X1AD1 / US5150X1AD17	€950,000 Autocallable Linked Notes due 2010, Linked to Telefónica S.A. and Banco Santander Central Hispano S.A.

**Re: New Securities Re-Registration Process and Payment of DBTCA Fees and Expenses and Related Reserve**

To the Holders and Beneficial Owners:

Reference is made to the Senior Indenture, dated as of July 21, 2006, (as supplemented, the “Indenture”), between Landsbanki Íslands hf. (now known as LBI ehf.), as issuer, (“LBI”), and Deutsche Bank Trust Company Americas (“DBTCA”), as trustee, (in such capacity, the “Trustee”) and in other capacities, pursuant to which the above-referenced securities (the “Notes”) were issued.

Reference is also made to the notice dated April 22, 2016 (the “April 22<sup>nd</sup> Notice”) issued by the Trustee concerning LBI’s process for re-registering the New Securities (defined below) into the names of Beneficial Owners and related exchange procedures. A copy of such Notice is annexed hereto as Exhibit A.

This Notice supplements the April 22<sup>nd</sup> Notice. Capitalized terms not defined herein shall have the same meaning ascribed to them in the Indenture or the April 22<sup>nd</sup> Notice.

**I. STATUS OF RE-REGISTRATION PROCESS OF NEW SECURITIES INTO THE NAMES OF BENEFICIAL OWNERS AND CANCELLATION OF THE NOTES**

DBTCA is informed that the period in which Beneficial Owners were required to submit a Registration Package to LBI and its agents to effectuate the re-registration of the New Securities into the names of such Beneficial Owners has expired. DBTCA is further informed that LBI and its agents are in the process of reconciling incomplete Registration Packages that were submitted to

<sup>1</sup> As used herein, the term “Beneficial Owners” means persons whose account with The Depository Trust Company (“DTC”) participant firms reflect long positions in or in relation to the Notes.

<sup>2</sup> DBTCA assumes no responsibility for the selection or use of any CUSIP and ISIN number and makes no representation as to the correctness of the CUSIP and ISIN numbers listed herein.

them and that LBI’s agents are in direct contact with such Beneficial Owners. DBTCA is also informed that Beneficial Owners who had timely submitted a fully completed Registration Package have received their *pro rata* share of the New Securities in accordance with the rates determined by LBI governing the conversion of positions in the Notes into positions in the New Securities. Such rates were published by LBI on April 27, 2016, and are available at the following web address: <https://www.lbi.is/home/news/news-item/2016/04/27/Conversion-rates-for-beneficial-owners-of-the-DBTCA-notes/>. A copy of such rates is also annexed hereto as Exhibit B.

In addition, DBTCA is informed that not all Beneficial Owners submitted a Registration Package to claim their *pro rata* share of the New Securities (the “Unclaimed New Securities”). DBTCA is further informed that, pursuant to the US Order, LBI and its agents will re-register the Unclaimed New Securities into the name of the DTC participant on whose books such Beneficial Owners’ position in the relevant Series of Notes was held as of the Exchange Date. DBTCA intends to issue a further notice informing Beneficial Owners of the date on which LBI and its agents complete re-registering the Unclaimed New Securities into the name of the relevant DTC participant (the “Completion Date”). Beneficial Owners who seek to obtain their Unclaimed New Securities after the Completion Date should consider contacting the DTC Participant (or the broker-dealer through which it holds its position) directly about the procedure for obtaining their *pro rata* share of the New Securities from their DTC Participant. **Questions should NOT be addressed to DBTCA concerning re-registering the Unclaimed New Securities, *pro rata*, from the DTC Participant to the Beneficial Owner.**

Pursuant to the US Order, the Notes were cancelled and removed from DTC’s records. DBTCA is informed that, notwithstanding the cancellation and removal of the Notes from DTC’s records, DTC has implemented its customary procedures to facilitate the possible future distribution of the then remaining balance of the Fee and Indemnity Reserve (defined below) described in Section III.

## II. INITIAL ALLOCATION OF NEW SECURITIES TO TRUSTEE

**A. Allocation of LBI’s New Securities:** As stated in the April 22<sup>nd</sup> Notice, pursuant to the Composition, LBI issued New Securities to holders of recognized unsecured claims in LBI’s insolvency proceeding. In accordance with Icelandic law, a portion of New Securities issued by LBI were initially allocated to the Trustee on account of the Trustee Claims.

The following chart shows a breakdown of the New Securities initially allocated to the Trustee on account of the Trustee Claims, as well as the accepted amount of the Trustee Claims in LBI’s insolvency proceeding.

CUSIPs / ISINs by Series of Notes	New Debt Securities Allocated to Trustee Claims by Series of Notes	New Equity Securities Allocated to Trustee Claims by Series of Notes	Total Accepted Amount of Trustee Claims by Series of Notes (ISK)
5150X0AB7 / US5150X0AB77 5150X1AB5 / US5150X1AB50	€124,001,393	100,340,085	99,938,108,031
5150X0AA9 / US5150X0AA94 5150X1AA7 / US5150X1AA77	€253,143,955	204,840,327	204,019,706,685
5150X0AD3 / US5150X0AD34 5150X1AD1 / US5150X1AD17	€215,146	174,093	173,396,246

**B. Payments From LBI to DBTCA On Account of Redemption of Portion of New Debt Securities Allocated to Trustee Claims and the *De Minimis* Payment:** LBI distributed to DBTCA the aggregate amount of €3,062,026.97 (the “Euro Cash Payment”) with respect to the Trustee Claims, which sum represents (i) LBI’s April 14, 2016, redemption of €3,050,113.86 of the New Debt Securities allocated to the Trustee Claims for an equivalent Euro cash payment of €3,050,113.86 (the “Redemption Payment”), and (ii) pursuant to the Composition, the *de minimis* payments in the aggregate amount of €11,913.11 with respect to the Trustee Claims (the “De Minimis Payment”). As described below in Section III, DBTCA used the proceeds from the Euro Cash Payment to fund the Fee and Indemnity Reserve (defined below). **No portion of the Euro Cash Payment or its proceeds will be distributed to Beneficial Owners at this time.**

The following chart identifies the amount of the New Debt Securities allocated to the Trustee Claims that were redeemed by LBI on April 14, 2016, and the corresponding payment to DBTCA and the De Minimis Payment to DBTCA, each on a Series of Notes basis.

CUSIPs / ISINs by Series of Notes	New Debt Securities Allocated to Trustee Claims Redeemed on 4/14/2016 <sup>3</sup> and Corresponding Payment Amount by Series of Notes	<i>De Minimis</i> Payments by Series of Notes	Total Payments
5150X0AB7 / US5150X0AB77 5150X1AB5 / US5150X1AB50	€1,002,273.35	€3,914.65	€1,006,188.00
5150X0AA9 / US5150X0AA94 5150X1AA7 / US5150X1AA77	€2,046,101.54	€7,991.31	€2,054,092.85
5150X0AD3 / US5150X0AD34 5150X1AD1 / US5150X1AD17	€1,738.97	€7.15	€1,746.12
<b>Total</b>	<b>€3,050,113.86</b>	<b>€11,913.11</b>	<b>€3,062,026.97</b>

In order for DBTCA to receive such monies in the US, it was necessary to convert the Euro Cash Payment from Euros to USD. To convert the Euro Cash Payment from Euros to USD, the Central Bank of Iceland required DBTCA to obtain an additional exemption from the Icelandic capital control laws then in place. After the Central Bank of Iceland granted DBTCA an exemption, the Euro Cash Payment (after deducting certain fees and expenses incurred by DBTCA as Trustee that were payable in Euros) was converted into USD at the then prevailing exchange rate of 1 Euro to 1.1303 USD and such monies (after deducting certain processing fees) were transferred to an account maintained for the benefit of DBTCA in the US. Accordingly, DBTCA received the amount of USD 3,404,433.60.

### **III. FEE AND INDEMNITY RESERVE AND PAYMENT DBTCA’S FEES AND EXPENSES**

**A. Purpose of Fee and Indemnity Reserve:** DBTCA, as Trustee and in other capacities, under the Indenture has been incurring fees and expenses since October, 2008, a period of approximately 8 years. Through September 30, 2016, DBTCA incurred fees and expenses (including the fees and expenses of its US and Icelandic counsel) in the amount of no less than USD 1,563,378.37 (“USD Fees and Expenses”) and Euros 50,026.97 (“EUR Fees and Expenses”).

<sup>3</sup> DBTCA is informed that on June 30, 2016, LBI redeemed an additional amount of the New Debt Securities for a Euro cash payment. DBTCA never received the proceeds of that redemption.

It is also likely that DBTCA will incur additional fees and expenses in the future. Section 6.7 of the Indenture grants DBTCA a lien on all property and funds collected by it to secure payment of its fees and expenses, including payment of the fees and expenses of its agents and counsel, which lien right survives cancellation of the Indenture.

As contemplated by the information memorandum relating to the Composition and the US Order, to pay DBTCA's past fees and expenses and to secure payment of its future fees and expenses (in both instances, including those fees and expenses of its counsel), DBTCA held back as a reserve the Euro Cash Payment (the "Fee and Indemnity Reserve"). Absent such reserve, DBTCA was not obligated to comply with the Exchange Procedures approved under the US Order.

DBTCA deducted its EUR Fees and Expenses and the USD Fees and Expenses from the Fee and Indemnity Reserve. As of the date of this Notice, the remaining balance of the Fee and Indemnity Reserve is USD 1,841,055.23.

**B. Terms of Fee and Indemnity Reserve:** The remaining balance of the Fee and Indemnity Reserve is held by DBTCA in a single segregated non-interest bearing account maintained by it (the "Indemnity Account"). The funds in the Indemnity Account will be used by DBTCA solely in connection with: (i) paying all other unpaid fees, costs and expenses incurred, or that may be incurred, by DBTCA (including the fees and expenses of its counsel) up to and including the Completion Date and, thereafter, in connection with the re-registration of the New Securities into the names of Beneficial Owners as described in this Notice and the April 22<sup>nd</sup> Notice; (ii) paying Indemnified Liabilities;<sup>4</sup> and (iii) paying all unpaid fees, costs and expenses incurred, or that may be incurred, by DBTCA (including the fees and expenses of its counsel) in connection with administering and maintaining the Indemnity Account and releasing to the extent remaining the funds in the Indemnity Account to Beneficial Owners as described below. It is anticipated that any funds deducted by DBTCA from the Indemnity Account will be allocated to each Series of Notes *pro rata* based on the allowed claim amount of the Trustee Claim relating to the relevant Series of Notes.

DBTCA intends on or about each yearly anniversary of the Completion Date to issue a further notice informing Beneficial Owners of the then current balance of the Indemnity Account and, to the extent any payment has been made from the Indemnity Account during the period covered by such future notice, a description of the basis for such payment.

As soon as practicable after the sixth anniversary of the Completion Date, provided that no Claims have been asserted against DBTCA at that time, DBTCA intends to release any remaining funds then held in the Indemnity Account for onward distribution to Beneficial Owners. It is anticipated that any funds released by DBTCA from the Indemnity Account will be allocated to each Series of Notes in the same manner that its fees and expenses were allocated to each Series of Notes. It is also anticipated that any future distribution of such released funds (after deducting any fees and expenses that may be incurred in connection with such future distribution) will be made through DTC to Beneficial Owners.

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<sup>4</sup> "Indemnified Liabilities" mean fees, costs, expenses or other liabilities incurred, or that may be incurred, by DBTCA in connection with its services under the Indenture (including the fees and expenses of its counsel) in defending against any actual, or written threats of, litigation made against DBTCA relating to LBI's insolvency proceedings (the "Claims"), provided that DBTCA may only reimburse itself for its own internal fees incurred in dealing with or defending against any such Claims, in an aggregate amount of up to USD 100,000.

In the event DBTCA releases funds from the Indemnity Account in the future, it intends to issue a notice at that time informing Beneficial Owners of that distribution.

#### **IV. GENERAL PROVISIONS WITH RESPECT TO THIS NOTICE**

This Notice is solely for informational purposes. DBTCA does not take responsibility for the correctness or completeness of the information contained in this Notice or any documents referenced herein or attached hereto. Custodians, Beneficial Owners and their advisors should not rely on DBTCA as their sole source of information. You are urged to monitor the LBI Website for further information. You cannot consider this or any other notice from DBTCA to be legal, financial or business advice or recommendations. You should consider consulting your own legal, financial and business advisors for advice regarding this matter.

DBTCA may be contacted through Rodney Gaughan ([rodney.gaughan@db.com](mailto:rodney.gaughan@db.com)) and Mark N. Parry and Kent C. Kolbig of Moses & Singer LLP, DBTCA's counsel, ([mparry@mosessinger.com](mailto:mparry@mosessinger.com); and [kkolbig@mosessinger.com](mailto:kkolbig@mosessinger.com)). Please note that DBTCA and its counsel may determine that a response to a particular inquiry given solely to an inquiring individual Beneficial Owner would not be consistent with equal and full dissemination of non-public information to all Beneficial Owners.

Dated: October 21, 2016

DEUTSCHE BANK TRUST COMPANY AMERICAS,  
as Trustee

## **Exhibit A**

THIS NOTICE CONTAINS IMPORTANT TIME SENSITIVE INFORMATION OF INTEREST TO HOLDERS AND BENEFICIAL OWNERS<sup>1</sup> OF THE SUBJECT SECURITIES.

ALL DEPOSITARIES, CUSTODIANS, AND OTHER INTERMEDIARIES ARE REQUESTED TO IMMEDIATELY RE-TRANSMIT THIS NOTICE TO BENEFICIAL OWNERS.

**SUBJECT SECURITIES: Landsbanki Íslands hf. (now known as LBI ehf.)**

CUSIP/ISIN Numbers <sup>2</sup>	Name of Security
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**Re: Expected Distributions and Related Procedures**

To the Holders and Beneficial Owners:

Reference is made to the Senior Indenture, dated as of July 21, 2006, (as supplemented, the “Indenture”),<sup>3</sup> between Landsbanki Íslands hf. (now known as LBI ehf.), as issuer, (“LBI”), and Deutsche Bank Trust Company Americas, as trustee, (in such capacity, the “Trustee”) and in other capacities, pursuant to which the above-referenced securities were issued (collective, the “Notes”).

This Notice contains important information for Beneficial Owners concerning the distribution to them of the New Securities (defined below) allocated to the Trustee under the Terms of the Composition (defined below) based on the positions of such Beneficial Owners in the Notes.

**I. RECOGNITION AND ENFORCEMENT OF THE COMPOSITION IN THE UNITED STATES**

On December 18, 2015, the District Court of Reykjavik Iceland entered an order (the “Composition Order”) confirming the terms of LBI’s composition with various creditors (the “Composition”). On March 17, 2016, the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) overseeing LBI’s Chapter 15 case entered an order recognizing and enforcing the Composition Order and the Composition in the United States (the “US Order”). The US Order also approved special exchange procedures (the “Exchange Procedures”) for the New Securities issued under the Composition and allocated to the Trustee to be distributed to Beneficial Owners directly by LBI and its agents.

<sup>1</sup> As used herein, the term “Beneficial Owners” means persons whose account with The Depository Trust Company (“DTC”) Participant firms reflect long positions in the Subject Notes.

<sup>2</sup> The Trustee assumes no responsibility for the selection or use of any CUSIP and ISIN number and makes no representation as to the correctness of the CUSIP and ISIN numbers listed herein.

<sup>3</sup> Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Indenture.

The Trustee is informed that copies of the Exchange Procedures<sup>4</sup>, the Composition, the Composition Order, the US Order and related documents are available from (i) the secure website maintained by LBI for creditors, which can be accessed at: <https://composition.lbi.is> (the “LBI Website”) (a creditor login ID and password are required), (ii) the Bankruptcy Court’s Electronic Case Filing System, which can be accessed from the Bankruptcy Courts’ website at <http://www.nysb.uscourts.gov> (a PACER login ID and password are required), or (iii) upon written request to LBI’s US counsel addressed to:

John Pintarelli  
Morrison & Foerster LLP  
250 West 55th Street  
New York, NY 10019-9601  
JPintarelli@mof.com

Under the Composition Order and the Composition, the Trustee Claims (defined below) based on amounts owed under the Notes and the Indenture were required to be exchanged for the Trustee’s *pro rata* entitlement to the New Securities, and the Notes and the Indenture were required to be cancelled. Under the US Order, the Trustee is directed to effect the cancellation and removal of the Notes from DTC’s records as contemplated by the Exchange Procedures.

## **II. DISTRIBUTION OF NEW SECURITIES TO DBTCA FOR RE-REGISTRATION TO BENEFICIAL OWNERS THROUGH THE EXCHANGE PROCEDURES**

**A. Recognition of Trustee Claims:** The Trustee filed separate claims for amounts due and payable by LBI under each of the three (3) Series of Notes and the Indenture. Such claims filed by the Trustee were recognized in LBI’s insolvency proceeding (each a “Trustee Claim” and together the “Trustee Claims”).

**B. Registration of New Securities in Trustee’s Name:** The Composition required LBI to issue new non-interest-bearing, convertible debt securities (the “New Debt Securities”)<sup>5</sup> and new ordinary shares (the “New Equity Securities” and together with the New Debt Securities, the “New Securities”) to holders of recognized unsecured claims in LBI’s insolvency proceeding, including to the Trustee on account of the Trustee Claims. To comply with Icelandic law, the New Securities distributable on account of the Trustee Claims must first be distributed to the Trustee because it is the recognized holder of the Trustee Claims under Icelandic law.

On March 23, 2016, LBI distributed to the Trustee the New Securities allocable based on the Trustee Claims by registering such securities in the Trustee’s name. The Trustee is not able to forward such securities to Beneficial Owners because the New Securities are not eligible for distribution through DTC. For this reason, LBI developed and obtained approval of the Exchange Procedures.

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<sup>4</sup> A copy of the Exchange Procedures that were approved by the US Order was annexed to the Trustee’s notice dated February 25, 2016.

<sup>5</sup> The Trustee is informed that the New Debt Securities were issued in global form and that LBI registered beneficial interests in such securities in the names of those of its creditors who were entitled to receive an interest in the New Debt Securities under the terms of the Composition, including the Trustee. Thus, any distribution to Beneficial Owners of the New Debt Securities allocated to the Trustee through the registration process under the Exchange Procedures means registering a beneficial interest in such securities in the name of the relevant Beneficial Owner.



### III. EXCHANGE PROCEDURES

The US Order instructs LBI and its agents to implement the Exchange Procedures and for the Trustee to comply with such procedures after receipt of its fee and indemnity reserve<sup>6</sup>.

The US Order also directs Beneficial Owners (and their nominees) to comply with the Exchange Procedures in order to receive their *pro rata* share of the New Securities allocated to the Trustee for the relevant Series of Notes pursuant to the terms of the Composition. Beneficial Owners who fail to comply with the Exchange Procedures will not receive their *pro rata* share of the New Securities allocated to the Trustee for the relevant Series of Notes from LBI or its agents.

Below is a brief summary of the registration process selected by LBI under the Exchange Procedures for distributing the New Securities allocated to the Trustee to Beneficial Owners, which does not purport to be complete. Beneficial Owners are urged to review the Exchange Procedures in their entirety. It is the responsibility of Beneficial Owners (and their nominees) to satisfy the Exchange Procedures in order to receive their portion of such securities. They should consult their legal counsel and other advisors to the extent they deem advisable with respect to satisfying such procedures. The Trustee has no responsibility for registering the New Securities allocated to it into the names of Beneficial Owners. After the Exchange Date (defined below) has occurred, **questions concerning the process for registering the New Securities allocated to the Trustee into the names of Beneficial Owners should be addressed to Epiq via email to [tabulation@epiqsystems.com](mailto:tabulation@epiqsystems.com). Questions concerning such registration process should NOT be addressed to the Trustee.**

Under the Exchange Procedures, the positions of Beneficial Owners in the Notes must be authenticated in order for the New Securities allocated to the Trustee for the relevant Series of Notes to be registered in the names of Beneficial Owners. Such procedures require that trading in the Notes through DTC be halted as of a certain date (the “Exchange Date”) in order to determine the specific DTC participants (i) through whom Beneficial Owners hold their positions in the Notes (and to quantify the amount of positions in the Notes held by each of such DTC participants) and (ii) who are eligible to authenticate the positions of Beneficial Owners in the Notes.

The Trustee is informed by LBI that the **anticipated Exchange Date is April 25, 2016**. Beneficial Owners are required to submit to LBI and its agents a fully completed registration package (the “Registration Package”) **within sixty (60) calendar days** after the Exchange Date. The Trustee is further informed that the Registration Package will require Beneficial Owners to provide LBI and its agents with, among other things, settlement instructions, settlement information about the entity under whose name the New Securities will be registered and the know-your-customer information required by LBI’s agents. The Trustee is also informed that copies of the Registration Package will be made available by LBI and its agents during the week of April 25, 2016. In addition, the Trustee is informed that **(i) once available, the Registration Package will be distributed directly by LBI’s agents to the DTC Participants as of the Exchange Date through whom Beneficial Owners hold their positions in the Notes for onward distribution to such Beneficial Owners, and (ii) in the interim, Beneficial Owners may ask to be placed on an email mailing list, and LBI’s agent, Epiq, will provide the Registration Package as soon as it is available to the parties on that email mailing list.** In order to be placed on such list (or to request the Registration Package after it is available), Beneficial Owners must email Epiq at [tabulation@epiqsystems.com](mailto:tabulation@epiqsystems.com) with “LBI ehf. Distribution Documentation” in the subject line and request to be placed on the mailing list or request documentation once it is available.

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<sup>6</sup> The Trustee intends to issue a future notice shortly concerning the terms of its fee and indemnity reserve.  
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In the event that a fully completed Registration Package is not received by LBI and its agents with respect to a Beneficial Owner's position in the Notes within sixty (60) calendar days after the Exchange Date, the New Securities allocated to the Trustee to be distributed on account of such Beneficial Owner's position will be registered in the name of the DTC participant on whose books such Beneficial Owner's position was held as of the Exchange Date.

#### **IV. GENERAL PROVISIONS WITH RESPECT TO THIS NOTICE**

This Notice is solely for informational purposes. The Trustee does not take responsibility for the correctness or completeness of the information contained in this Notice or any documents referenced herein. Custodians, Beneficial Owners and their advisors should not rely on the Trustee as their sole source of information. You are urged to monitor the LBI Website for further information, including with respect to the distributions referred to herein. You cannot consider this or any other notice from the Trustee to be legal, financial or business advice or recommendations. You should consider consulting your own legal, financial and business advisors for advice regarding this matter.

The Trustee may be contacted through Michael Dunlaevy ([michael.dunlaevy@db.com](mailto:michael.dunlaevy@db.com)), Rodney Gaughan ([rodney.gaughan@db.com](mailto:rodney.gaughan@db.com)) and Mark N. Parry and Kent C. Kolbig of Moses & Singer LLP, the Trustee's counsel, ([mparry@mosessinger.com](mailto:mparry@mosessinger.com)); and [kkolbig@mosessinger.com](mailto:kkolbig@mosessinger.com)). Please note that the Trustee and its counsel may determine that a response to a particular inquiry given solely to an inquiring individual Beneficial Owner would not be consistent with equal and full dissemination of non-public information to all Beneficial Owners.

Dated: April 22, 2016

DEUTSCHE BANK TRUST COMPANY AMERICAS,  
as Trustee

## **Exhibit B**

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## Conversion rates for beneficial owners of the DBTCA notes

27.04.2016

The expected conversion rates for beneficial owners of the Deutsche Bank Trust Company America notes is shown in the table below. The table indicates the expected units of EUR of a new bond issued by LBI ehf and the expected ISK units of new share shares in LBI ehf each beneficial owner will receive in exchange for 1000 nominal units of the relevant ISIN / CUSIP held by DBTCA as trustee:

Bond/CUSIP(s)	Nominal USD/EUR	New EUR bond, due 2035, per 1000 nominal	ISK shares in LBI ehf., per 1000 nominal
Floating Rate Senior Notes due 2009 5150X0AB7 / US5150X0AB77 5150X1AB5 / US5150X1AB50	\$750,000,000.00	163.9988262	133.7867798
6.10% Senior Notes due 2011 5150X0AA9 / US5150X0AA94 5150X1AA7 / US5150X1AA77	\$1,500,000,000.00	167.3985690	136.5602178
Autocallable Linked Notes due 2010 5150X0AD3 / US5150X0AD34 5150X1AD1 / US5150X1AD17	€950,000	224.6389789	183.2561429

For further information on the exchange of notes, please direct your inquiries to [tabulation@epiqsystems.com](mailto:tabulation@epiqsystems.com).

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