

LANDSBANKI ÍSLANDS HF.

**INVITATION TO LODGE A CLAIM
– Time limits to be observed.**

ADVERTISEMENT ON EXTENSION OF MORATORIUM

A ruling by the Reykjavík District Court, pronounced on 3 March 2009, authorised the extension of the moratorium granted to Landsbanki Íslands hf., Reg. No. 540291-2259, Austurstræti 16, 101 Reykjavík, which was originally granted on 5 December 2008, to Thursday, 26 November 2009. According to Temporary Provision II of Act No 44/2009, amending Act No. 161/2002, the Reykjavík District Court has appointed a Winding-Up Board for the bank, which will handle, for instance, claims against the bank while the moratorium is in effect and after winding-up proceedings commence upon the conclusion of the moratorium.

The reference date is 15 November 2008. The commencement date of claims processing shall be based on the entry into force of Act No. 44/2009 and is 22 April 2009, cf. further the first paragraph and the second sentence of the third paragraph of Art. 102 of Act No. 161/2002, cf. Art. 6 of Act No. 44/2009.

All parties claiming debts of any sort or other rights against Landsbanki Íslands hf. or assets controlled by the bank, including preferential claims and those secured in re, are hereby invited to submit their claims to the bank's Winding-up Board within six months of the first publication of this notice on 30 April 2009, accordingly the last day to submit claims is 30 October 2009. Submission of claims shall be made by mail to the bank's Winding-up Board at Austurstræti 16, 101 Reykjavík, Iceland; their contents must comply with the instructions in the second and third paragraph of Art. 117 of the Act on Bankruptcy etc. No. 21/1991. With reference to the previously mentioned provisions of the first paragraph and the second sentence of the third paragraph of Art. 102 of Act No. 161/2002, cf. Art. 6 of Act No. 44/2009, creditors are directed to include in their claims submissions the position of the claim as of 22 April 2009.

Claims in foreign currency must be submitted in the currency in question. A creditor from a member state of the European Economic Area or the European Free Trade Association may submit claims in a language of that state. Such claims submissions must be accompanied by an Icelandic translation; claims may be submitted in English without an accompanying translation. Other creditors may submit their claims in Icelandic or English.

If a claim is not submitted within the above-mentioned time limit it shall be subject to the same legal effect as a claim not properly submitted, as provided for in Art. 118 of the Act on Bankruptcy etc., No. 21/1991, and the claim shall therefore be deemed to be cancelled against Landsbanki Íslands hf. unless the exceptions in Points 1-6 of the provision apply.

It is specifically reiterated that, in submitting a claim, a creditor is deemed to have agreed to the removal of confidentiality (bank secrecy) with regard to the claim concerned.

A creditors' meeting will be held on Monday, 23 November 2009, at 9:00 am at Hilton Hotel Nordica, Suðurlandsbraut 2, Reykjavík. Parties who have submitted claims against the bank are entitled to attend the meeting. This meeting will discuss a list of claims lodged and the decision of the Winding-up Board insofar as it is then available. A list of claims lodged will be accessible to those who have submitted claims against the bank at least one week prior to the above-mentioned meeting.

The above-mentioned meeting is also held for discussion of the moratorium of Landsbanki Íslands hf. as provided for in Chapter III of the Act on Bankruptcy etc., No. 21/1991. According to the above ruling by the Reykjavík District Court, the court will once more consider the bank's moratorium on 26 November 2009 at 1:30 pm in Courtroom 102.

Further information on submission of claims and handling of claims will be made accessible on the bank's website: www.lbi.is. The Winding-up Board instructs creditors to provide information on their e-mail address or that of their agents to facilitate communication of information.

Reykjavík, 12 May 2009

Winding-up Board of Landsbanki Íslands hf.

Kristinn Bjarnason, Supreme Court Attorney

Halldór H. Backman, Supreme Court Attorney

Herdís Hallmarsdóttir, Supreme Court Attorney