

Annual General Meeting of Klakki ehf.

Held on 20 August 2014

Proposals of the Board of Directors of Klakki ehf. to the Company's Annual General Meeting on 20 August 2014.

Agenda item 2: Confirmation of the accounts of the Company for 2013, and proposal for allocation of profit for the year 2013

The Annual General Meeting of Klakki ehf., held on 20 August 2014, agrees that profits for the 2013 financial year, amounting to ISK 8,470,219,342, be transferred to company equity.

Agenda item 4: Proposal for approval of the Company's Board of Directors on auditing firm.

It is proposed that Deloitte hf., Smáratorgi 3, Kópavogi, be re-elected as the Company's auditing firm for 2014.

Agenda item 5: Decision on remuneration to the Members of the Board of the Company.

The Annual General Meeting of Klakki ehf., held on 20 August 2014, agrees that the remuneration of the Board of Directors will be as follows: Chairman of the Board ISK 300,000 per month, other directors ISK 150,000 per month. Vice Board members ISK 100,000 kr. for each meeting they attend. Board members shall in addition receive a set fee of ISK 100,000 for each meeting they attend in excess of one regular Board Meeting per month and for each meeting they attend in the Board's subcommittees, to be capped at three additional meetings per month.

Agenda item 6: Proposal of the Company's Board of Directors to approve the Remuneration Policy.

„Remuneration Policy for Klakki ehf.

Article 1 - Objective

The object of Klakki's Remuneration Policy is to offer employees and board members competitive wages for their services. Regard shall be had of position, workload, responsibilities and future prospects when deciding employee remuneration.

Article 2 - Board of Directors – terms of employment

Board members shall receive a fixed monthly payment in accordance with the decision of the Annual General Meeting of the Company, as stipulated in Article 54 of Act no. 138/1994 on Private Limited Companies. The Board of Directors shall submit a proposal on the fee for the upcoming operating year.

Article 3 – Chief Executive officer – terms of employment

A written employment contract shall be made between the Company and the Chief Executive Officer (CEO). The objectives stated in Article 1 of this Remuneration Policy shall form the basis of the determination of the CEO's terms of employment as well as of the determination of rewards in the sense of Art. 54 (a) (1) points 1-6 of Act no. 138/1994 on Private Limited Companies.

The negotiation of the CEO's employment contract shall be based on the aim that upon termination, no retirement or termination payments in addition to those stipulated in the employment contract shall be agreed upon.

Article 4 - Acknowledgements to the management

The Company's CEO makes proposals to the Board of Directors concerning the terms of employment and management of Klakki ehf. The objectives stated in Article 1 of this Remuneration Policy shall form the basis of the determination of the management's terms of employment as well as of the determination of rewards in the sense of Art. 54 (a) (1) points 1-6 of Act no. 138/1994 on Private Limited Companies.

Article 5 - Approval of the Remuneration Policy and other matters

The Remuneration Policy shall be presented to the shareholders in the Annual General Meeting for their approval. The Remuneration Policy shall be subject to annual review.

The Remuneration Policy shall be viewed as guidelines for the Company. The Board of Directors shall note in the minutes of its meeting any major deviation from the Remuneration Policy and such deviation shall be well justified. The Board of Directors shall inform the Annual General Meeting of such a deviation."