

## How to file a claim

### 1. How do I file a claim?

According to Icelandic law, Kaupthing Bank's Winding-up Committee has published time limits to file claims against Kaupthing Bank hf. Creditors have been invited to submit their claims in writing within six months, as of 30 June 2009, when the formal claims notice was published in the Icelandic Legal Gazette (*Lögbirtingablaðið*). Therefore, the deadline for submitting claims is midnight on **30 December 2009**.

If you are claiming debts or other rights from Kaupthing Bank, you need to make a statement of your claim, which needs to be in writing and state the claim as clearly as possible. See also Article 117 in the Bankruptcy Act, which you can find under "Legislation" on our website.

You need to set out clearly:

- the amount you are claiming, including interests and other costs
- the priority requested for the claim in the order of claims as provided for in Chapter XVII of Act No. 21/1991
- any claim for security
- any claim regarding other specific rights against Kaupthing Bank
- in whose interest it is submitted
- the basis upon which you are making the claim
- each claim form related to Kaupthing Bonds held through Euroclear, Clearstream or DTC are required to contain a blocking number
- A claim which includes a set-off must detail and include documentation related to the set-off right
- and any other facts that need to be mentioned for context, shall be stated in a statement of claim.

You need to supply enough documentation to support the claim, so the Winding-up Committee can assess and value your claim.

If you don't request a priority for the claim, the claim will in most cases be considered either an ordinary claim according to Article 113 of the Bankruptcy Act or a deferred claim according to Article 114, as applicable.

Under Icelandic law, it is up to you to determine how you make your claim. However, claim forms have been prepared to help you make sure that you supply the basic information the Winding-Up Committee will need to assess and value your claim. You can either send in your own claim form, in accordance with the above, or file a claim with the standard claim form available on this website.

In filing a claim, you are deemed to have waived the rights to confidentiality (banking secrecy) with regard to the claim in question.

Your claim should be sent to:

**The Winding-up Committee of Kaupthing Bank hf.  
Borgartun 19,  
105 Reykjavik,  
Iceland**

Your claim needs to arrive at the above-mentioned address at the latest by midnight on **30 December 2009**. If a claim is not filed within the aforementioned time limit, the claim against Kaupthing Bank hf. is considered null and void according to Article 118 of the Act no. 21/1991 on Bankruptcy etc., unless the exceptions specified in sub-paragraphs 1-6 of the said article are applicable.

Packages that are post-marked prior to that time/date but which are received at the above address after that time/date will not be considered timely filed claims.

If you would like a copy of your claim to be returned to you with a date/time stamp, you should submit an extra copy of your claim with a self-addressed, postage paid envelope in what is submitted together with a statement requesting that a date/time stamped copy be returned to you. The Winding-Up Committee will not provide a copy of a proof of claim or other form of evidence that a claim has been received at the time the claim is submitted.

Regular office hours of Kaupthing Banki hf are 09:00 - 16:00 Reykjavík time. On 30 December 2009, Kaupthing's office hours of will be 09:00 until midnight Reykjavík time.

Please make sure to sign the claim form.

## **2. Who can register the claim?**

An Attorney or other agent may file a claim on behalf of a creditor. The attorney or agent must state for whose benefit the claim is made and supply evidence that he or she has full authority to file the claim and represent the creditor in all respects. A signed power of attorney is the best evidence of this and should be included with the claim.

## **3. Is there a standard form to file a claim?**

You can file a claim with the standard claim form(s) on this website. You can also send in your own claim form, as long as it fulfills the requirements stated in Article 117 in the Bankruptcy Act. See also answer to question no. 1 above.

You should note that Icelandic law applies to all claims and nothing should be inferred from the forms which is contrary to Icelandic law.

## **4. What language should I use, when filing a claim?**

Creditors from member states of the European Economic Area or the European Free Trade Association may file claims in the language of that state. Such claims submissions must be accompanied by an Icelandic translation. However, it is permitted to file a claim in English without having it translated into Icelandic. Other creditors may file their claims in Icelandic or English. If the documentation accompanying a claim submitted is in a language other than Icelandic or English, a translation into either of these languages must be included.

## **5. What currency and exchange rate should I use when filing a claim?**

Claims in foreign currencies should be filed in the relevant currency and converted at the exchange rate published by the Central Bank of Iceland on 22 April 2009. In accordance with Act no 44/2009, claims in foreign currencies should be filed in the relevant currency and they will be converted at the exchange rate (selling rate) published by the Central Bank of Iceland (Seðlabanki Íslands) as of 22

April 2009. Information on the relevant exchange rate can be found on the Central Bank's website, [www.sedlabanki.is](http://www.sedlabanki.is) > Exchange rate.

**Example:**

Currency	Rate
USD	130.71
GBP	191.08
CAD	105.47
DKK	22.722
NOK	19.315
SEK	15.329
CHF	111.99
JPY	1.3358
XDR	193.89
EUR	169.23

**6. Can I claim interest?**

The entry into force of Act No. 44/2009, amending Act No. 161/2002, on Financial Undertakings sets a cut-off point for interest and costs on priority claims and unsecured claims. Accordingly, interest and costs on such claims accruing after 22 April will generally be deferred claims.

You should split out interest and costs incurred before and after 22 April 2009 and state the basis on which your claims are calculated. Where an ongoing claim for interest is made, you should indicate the rate and daily amount claimed.

For interest and costs accrued up to and including 22 April 2009, the Winding-Up Committee's current opinion is that Icelandic law is not certain as to whether the same level of priority applies to these claims as the claim for the corresponding principal. It is up to each creditor how they put their claim forward.

**7. What do I do if the value of my claim is not yet known / certain?**

You still need to make your claim before the deadline of 30 December 2009 (subject to the limited exceptions referred to in Question 1 above).

**8. Can I claim set-off?**

There is a possibility that you can set-off amounts you owe to Kaupthing. Under Icelandic law, if your right of set-off arises from a transaction more than three months period prior to the reference date (15 November, 2008), i.e. prior to 15 August, 2008, you may provide proof of ownership and claim a right of set-off. There are additional rules in Art.100 of the Bankruptcy Act (No. 21 of 1991). You should state the basis for any set-off right and include all relevant details and provide documentation in evidence of the transaction and the set-off right in the claim form for Kaupthing Bonds.

The Winding-Up Committee will consider any set-off claim on a case by case basis.

## 9. What evidence must be provided to support a claim?

You should provide with a clear reference to the loan agreement or other contract that gives you the right to make your claim. Please see below for specific details for syndicated bank lenders, bond holders, and derivative contract claims. You should also provide details of how any interest or costs have been calculated and documentation to support your claim thereof. As support for any claim of legal fee costs, include a statement from your legal representative and invoices for such legal costs.

For non-contractual claims, you should provide evidence that you think is sufficient to justify your claim. Insufficient information may cause the claim to be rejected. In that case, you will have the opportunity to state your objections and provide sufficient documentation. You will have to state your objections at the first creditors meeting, or notify of that in a letter to be received by the Winding-up Committee no later than at that meeting.

### *For Syndicated Bank Lenders*

If the agent bank for the syndicate has provided a copy of the loan agreement, you can refer to this document. For example, "Claim is made under the EUR500m syndicated loan facility dated 1 January 2000, a copy of which was provided to you on 1 June 2009 by ABC Bank as agent bank for the syndicate." It is up to you to check that the agent bank has provided us with a copy of the agreement.

### *For Bondholders*

The trustees of a number of bond issues have provided us with master copies of the bond documentation.

You will need to provide us with evidence that you are the beneficial owner of the bonds for which you are claiming. Such evidence is required to demonstrate that the holder's position has been blocked. For Kaupthing bonds held through Euroclear, Clearstream, or DTC, such evidence will take the form of a blocking number. For other depositories, other forms of evidence will be required. You can authorize your nominee account holder to do this on your behalf. See Questions 25 through 32 below. Please DO NOT provide a "Statement of Account." If there has been a transfer of claims related to Kaupthing bonds, you will need to provide additional documentation. See Question 21. In the event of a discrepancy, the Winding-Up Committee reserves the right to request additional information with respect to proof of ownership of the Kaupthing bonds.

Programme documents do not need to be provided for any of the securities included on the website at [www.kaupthing.com](http://www.kaupthing.com).

### *For Derivative Contract Claims*

You will need to provide a copy of the derivative contract, including the relevant master agreement, if any, and all related schedules, annexes, credit support documents and confirmations. You will also need to provide a statement showing in reasonable detail the calculations used to determine the amount of your claim.

## 10. What address should I send my claim to?

Claims filed against the Bank must be addressed to the Bank's domicile in Reykjavik and to the attention of the Winding-up Committee, in the following manner:

**The Winding-up Committee of Kaupthing Bank hf.  
Borgartun 19,  
105 Reykjavik,  
Iceland**

See further, answer to Question 1 above.

### **11. Can I make more than one claim?**

If you have different types of claims, for instance a derivative contract and a bond claim, you may find it easier to split these claims out and use separate forms for them. It is still up to you how to make your claim. You should make your claim as clearly as possible, which will help the Winding-Up Committee to take a stand with respect to recognition of claims.

If you do send in more than one claim form, please indicate this in the section marked "other claims submitted in this process" and include brief details to assist the Winding-Up Committee to identify all of the claims that you are making.

If you are amending a previously filed claim form related to Kaupthing Bonds please indicate this is the section "type of claim" and include a reference number (if known) or other details to assist the Winding-Up Committee.

### **12. What different types of claim can be made?**

Icelandic law allows for different types of claim, as set out in Articles 109 to 115 of the Bankruptcy Act. The law defines what type of claim is within each category and if you are in doubt you should take Icelandic legal advice on your position. The broad types of claim that fall into the categories most relevant to Kaupthing are described in Question 16 below.

### **13. What is the procedure after I have filed a claim?**

Your claim needs to be received at the above-mentioned address at the latest midnight on **30 December 2009.**

If a claim is not filed within the aforementioned time limit, the claim against Kaupthing Bank hf. is considered null and void according to Article 118 of the Act no. 21/1991 on Bankruptcy etc., unless the exceptions specified in sub-paragraphs 1-6 of the said article are applicable.

When the period for stating claims is over, the Winding-up Committee will prepare a list of submitted claims, stating its independent standpoint as to how each claim shall be recognised.

If the Winding-up Committee does not recognise a claim in full, in the form it is stated, it will notify the claimant in question at least one week before a creditors' meeting is held to consider the list of claims. **Creditors whose claims are listed by the Winding-Up Committee as postponed prior to the 29 January 2010 meeting need not submit an objection to such treatment at or before the first creditor meeting.**

The list of claims shall include at least the following details: (a) a decision on whether and, if so, how each claim submitted should be recognized; and (b) the substance of each claim, its amount, if applicable, and the priority demanded for the claim in ranking.

The first creditors' meeting to consider claims against Kaupthing Bank will be held on **Friday 29 January 2010 at 10:00 a.m.** at Hilton Hotel Nordica, Sudurlandsbraut 2, Reykjavik.

Only creditors that have filed a claim or their authorized representative will be able to attend the creditors' meeting. Creditors (or authorized representative) will need to provide identification (for

example in the form of a passport), and, in the case of an authorized representative or company representative, a power of attorney and / or other appropriate evidence of authority. The meeting will discuss the list of filed claims and the Winding-up Committee's position towards the recognition of claims insofar as it is available.

A creditor unwilling to accept the decision of the Winding-Up Committee on his claim must state his objections (i) at the first creditors' meeting to discuss claims submitted to be held at the Hilton Reykjavík Nordica, Suðurlandsbraut 2, Reykjavík, on Thursday 29 January 2010 at 10:00 a.m., or (ii) in a letter (or email) which must be actually received by the Winding-Up Committee no later than the time of the meeting. Any such letter of objection must identify the claim which is objected to and the grounds on which the treatment of the claim is objected to.

An account must be provided of the objections of each creditor concerned at the meeting. Objections received in writing from a creditor who does not attend the meeting in person will still be taken into account at the meeting.

Those creditors who are entitled to attend the meeting may also oppose the decision of the Winding-Up Committee on individual claims which are not their own.

**A decision by the Winding-Up Committee on a claim, which is not opposed at the meeting, or in a letter received by the Winding-Up Committee no later than the time of the meeting, is final.**

If it proves impossible to conclude decisions prior to the first creditors' meeting on all claims submitted due to the scope and number of claims, the Winding-Up Committee may convene one or more follow-up meetings to conclude the process of deciding on recognition of claims.

If a dispute concerning a claim cannot be resolved at the creditors' meeting where it is first discussed, one or more special meetings shall be held to attempt to resolve the dispute concerning the claim. Objections to claims will be resolved through consultation of the parties involved with the Winding-Up Committee and its advisers in the time between the first meeting of creditors and any subsequent meeting of creditors scheduled by the Winding-Up Committee. The Winding-Up Committee will conduct consultations regarding objections to claims in whatever manner is considered most efficient, including, without limitation, in-person meetings, telephone conferences and submission of arguments and other materials in writing.

If the dispute cannot be settled in this manner, the Winding-up Committee shall refer the matter to the District Court of Reykjavík.

A ruling by the District Court of Reykjavík on a dispute concerning claims may generally be appealed to the Supreme Court of Iceland.

**In general, a claim will not be finally agreed until at least the time of the first meeting of creditors to discuss claims, which is scheduled for 29 January 2010.** This is because creditors have the right to object to other claims at that meeting. With respect to claims listed as postponed by the Winding-Up Committee, such claims will not be finally agreed until at least the time of any subsequent meeting of creditors to be scheduled in the discretion of the Winding-Up Committee. Currently, no subsequent meeting of creditors has been scheduled.

#### **14. How is my claim calculated?**

Your claim is based on what you are entitled to under Icelandic Bankruptcy law and your contract with Kaupthing. If your claim is non-contractual, any other rights you may have are used to value your claim. You are responsible for calculating your claim. If your claim is too low you might lose your right to claim the difference. (There are limited exceptions – see Question 1 above).

Your claim will be translated into Icelandic Krona (see Question 5 above). Your entitlement to interest is set out in Question 6 above.

### **15. Who calculates my claim?**

It is up to each creditor to calculate its own claim. The Winding-Up Committee and their team will also calculate the amount that they think you are entitled to. This will be based on the information you provide. Finally, the Winding-Up Committee will propose valuations for all claims for the meeting of creditors on 29 January 2010 or a subsequent meeting of creditors scheduled in the discretion of the Winding-Up Committee. Any creditor can object to the value placed on any claim at these meetings. If disputes cannot be resolved at the meeting, one or more special meetings will be convened. If this does not resolve the disputed claim, it will be referred to the Icelandic courts. Where the Winding-Up Committee proposes a value for a claim at the meeting of creditors and no objection is made, that value is final and no further appeal is available.

### **16. How are claims ranked?**

As stated in Article 117 of the Bankruptcy Act (see answer to question no. 1 above), you need to set out clearly the priority requested for the claim in the order of claims. The priority ranking of claims is stated in chapter XVII (Article 109- 114) in the Bankruptcy Act and is as in the main as follows:

- 1) Assets and interests in the possession of the Bank. (Article 109).
- 2) Claims on the estate resulting e.g. from a contract concluded after entry into force of Act no. 44/2009 (22 April 2009) or claims arising after the reference date for the winding-up proceedings (15 November 2009) as a result of measures approved by the Appointee. (Article 110).
- 3) Claims secured e.g. by a collateral or other security interest in the Bank's assets, to the extent they can be settled by means of the proceeds from the sale of the relevant assets of any income derived from them. (Article 111).
- 4) Priority claims, including various wage claims that have become due during the 18 months immediately preceding the reference date for the winding-up proceedings, which is 15 November, claims on deposits, as amended by Article 6 of Act no. 44/2009, in the correct proportion of each claim. (Article 112).
- 5) All other claims (except for those referred to in Article 114), in the correct proportion of each claim. (Article 113).
- 6) Deferred claims, subordinated to all claims referred to above. These include e.g. claims for interest and cost arising after 22 April 2009 (Article 114).

If you don't request a priority for the claim, the claim will in most cases be considered an ordinary claim according to Article 113 of the Bankruptcy Act or a subordinated claim according to Article 114 as applicable.

### **17. When will there be a creditors meeting to consider claims against Kaupthing Bank?**

The first creditors' meeting, to consider claims against Kaupthing Bank, will be held on **Friday 29 January 2010 at 10:00 a.m.** at Hilton Hotel Nordica, Sudurlandsbraut 2, Reykjavik. If you have filed a claim against Kaupthing Bank, you are entitled to attend the meeting.

The meeting will discuss the list of filed claims and the Winding-up Committee's position towards the recognition of claims insofar as it is available.

### **18. Can someone attend the creditors meeting on my behalf?**

Yes, an attorney or other agent can attend the creditors meeting on your behalf, but is required to bring a proof that they are entitled to represent you at the meeting.

### **19. How much will I get back and when will I be paid?**

In the current financial market environment, it is not possible to estimate at this stage the realisable value of the assets. Due to this, and other uncertainties, it is therefore not possible to estimate the total payments to the Bank's creditors.

Attention is drawn to the fact that payments will not be made immediately following the first creditors' meeting. Further details on the timing of asset realisation and payments to creditors will be released when they become available.

### **20. What happens if I don't file a claim?**

Your claim needs to arrive at the above mentioned address at the latest by midnight on **30 December 2009**. If a claim is not filed within the aforementioned time limit, the claim against Kaupthing Bank hf. is considered null and void according to Article 118 of the Act no. 21/1991 on Bankruptcy etc. unless the exceptions specified in sub-paragraphs 1-6 of the said article are applicable. If you plan to rely on one of these limited exceptions, you are strongly advised to take Icelandic legal advice as there is a risk your claim will be too late and you will lose any rights you had against Kaupthing.

Creditors are therefore strongly encouraged to file their claims as soon as possible, to avoid losing any rights they may have against Kaupthing Bank.

If you have already submitted your claim related to Kaupthing Bonds and it does not include a blocking number, you are required to amend your claim so that it includes all information contained in the updated claim form for Kaupthing Bonds which is available on this website. For claims related to Kaupthing Bonds held through Euroclear, Clearstream or DTC, it is required that you request a blocking number (or its equivalent) for each bond and security position. Failure to receive and include a blocking number for claims related to these types of Kaupthing Bonds may cause your claim to be deficient and as such will be rejected by the Winding-Up Committee. See questions 25 through 32 for information regarding blocking procedures and what information is required be included in the claim form.

### **21. Can I sell/transfer my claim after I have registered?**

Yes, with certain exceptions. The Winding-Up Committee will need to stop recognizing transfers of claims in the period beginning 30 December 2009 to the 29 January 2010 creditors' meeting, and again in the period beginning at least two weeks before the first distribution date, and otherwise as needed in order for the Winding-Up Committee to be able to review and process the claims registered and make payments. The exact periods of time during which transfers will not be recognized, and the rate schedule for processing transfers, are subject to change at the discretion of the Winding-Up Committee

Under Icelandic law a claimant is permitted to sell its claim. However, the Winding-Up Committee will only recognize such a transfer and accordingly make any future payment to the transferee if the

Winding-Up Committee is notified of the transfer by both the buyer and the seller and the transfer is perfected in accordance with a procedure, to be described in these FAQs as soon as possible, such that the Winding-Up Committee has received clear indication of whom is now entitled to the proceeds of the claim that was transferred.

**If individual creditors wish to make their own arrangements during periods when the Winding-Up Committee stops recognizing transfers, they will do so at their own risk. Notwithstanding any purported transfer of a claim, in such a case, it is the original claimant that will be paid and a private transaction will not create any rights of action against the Winding-Up Committee.**

**In addition, the Winding-Up Committee reserves the right to make any payment to the original claimant, notwithstanding any purported transfer of a claim, if the Winding-Up Committee is not satisfied that the procedures set forth in the FAQs have been complied with and / or the submitted documentation does not provide satisfactory evidence of the transfer, new ownership, or account information for the new owner of the claim.**

Additional details about the claim transfer process will be included in the FAQs as soon as they are available.

## **22. What is blocking and why is blocking needed in relation to my Kaupthing Bonds?**

When bonds are blocked, they are “frozen” by the relevant depository to ensure that they are prevented from being traded. The depositories will provide information to the Winding-Up Committee about blocked positions, and the blocking number will provide a link from a particular bond position to a particular claim. This will help the Winding-Up Committee confirm the ownership of a bond position that is included in a bond claim form. In the case of bonds held through Euroclear, Clearstream, and DTC, any payment in connection with the claim will be made to the blocked position. In the case of bonds held through another depository, any payment in connection with the claim will be made in accordance with the account information provided in the bond claim form.

## **23. Who can assist me with the blocking of Kaupthing bonds?**

The bank or brokerage firm holding your bonds (the “accontholder”) will need to arrange to block your bonds. Once the position has been blocked, you cannot trade your bonds. However, if a holder has properly arranged to transfer the claim in accordance with the required procedures, the underlying bond position may be moved from the account of the original holder to the account of the new holder of the claim. See question 24 below.

Beneficial holders (which includes most individuals) are required to direct their accountholder (the bank, broker or other entity that holds the bonds on behalf of the beneficial holder) to contact the relevant depository to obtain a blocking number.

Accountholders with Euroclear, Clearstream, DTC or other relevant depository are to obtain a blocking number by following the directions provided by the relevant depository. Accountholders must obtain a separate blocking reference number for each beneficial owner for each ISIN.

- DTC - All requests for DTC VOI numbers are required be processed in time for the claim to be received by the Winding-Up Committee by 30 December 2009.
- Euroclear and Clearstream - All requests for a blocking number are required be sent to Euroclear or Clearstream. Please refer to Euroclear and Clearstream for their deadline to request a blocking number, and be aware that their deadlines might be before the claim filing deadline.
- Other depositories - the Accountholder must follow the directions of their depository.

## 24. What are the relevant procedures relating to blocking of Kaupthing bonds?

Each of your bonds are required to be blocked as part of the bond claim process. Each bond claim form is required to include a Euroclear Electronic Instruction Reference Number, a Clearstream Blocking Reference Number, a DTC VOI number (each a “blocking number”) or other depository-accountholder evidence of blocking, as appropriate. If desired, a single bond account may be locked through multiple blocking numbers. The procedures are different for each depository. We have categorized the information by depository and type of ISIN code below:

### a. Euroclear and Clearstream (“XS” ISIN codes)

Your accountholder will need to arrange to “block” your bonds from trading by giving an instruction to Euroclear or Clearstream. See Question 23 above. After your accountholder has blocked your bonds, the accountholder will need to provide you with the blocking number so that you can include it in your bond claim form. This is a mandatory field in the claim form for any XS ISIN code. Payments on account of bonds blocked through Euroclear and Clearstream will be made to you directly through the blocked positions at Euroclear or Clearstream (payment will be processed to the accountholders). You do not need to fill out payment instructions in the bond claim form.

If you decide to trade your claim after the bonds have been blocked, you must follow the procedures described in Question 21 above. Once a claim transfer has been perfected in accordance with the required procedures, the Winding-Up Committee, through Epiq, will advise Euroclear or Clearstream, as appropriate, of the authorization to unblock and re-block the blocked position, and the accountholder of the transferring holder and the accountholder of the new holder must provide instructions to Euroclear or Clearstream, as appropriate.

### b. The Depository Trust Company (DTC) (“US” codes)

Your accountholder is required to “tender” your bonds through DTC’s Automated Tender Offer Program (ATOP). In the case of DTC, the blocking number is called a “VOI” number. See Question 23 above. After your bonds have been tendered by the accountholder, the accountholder will need to provide you with the VOI (Blocking Number) for your particular blocked position so that you can include it in your bond claim form. This is a mandatory field in the claim form for any US ISIN code/CUSIP. Payments on account of bonds tendered through DTC will be made to you directly through the tendered position at DTC (payment will be processed to the accountholders). You do not need to fill out payment instructions in the bond claim form.

If you decide to trade your claim after the bonds have been blocked, you must follow the procedures that will be outlined in these FAQs at a later date. Once a claim transfer has been perfected in accordance with the required procedures, the accountholder of the transferring holder and the accountholder of the new holder must provide simultaneous instructions to DTC, and Epiq, as agent, will need to approve the instruction. It will be more difficult for an accountholder to transfer VOIs after the 30 December 2009 deadline, although it will still be possible with the cooperation of the respective accountholders, DTC, and Epiq, as agent (except during those periods during which the Winding-Up Committee will stop recognizing transfers). The entire VOI must be moved, and may not be split.

### c. Other depositories (including “AU”, „CA“, “CH”, „DE“, „DK“, “IS”, “JP” ISIN codes)

Bonds with these ISINs are handled by domestic clearing system depositories. Your accountholder will need to arrange to “block” the bonds in accordance with their customary procedures. This may include the accountholder placing a block on the position, similar to that which may be used in other corporate actions. The accountholder should provide evidence that the holder’s account was blocked, and you should enclose this evidence with the bond claim form. In the event the relevant depository or

accountholder does not provide a blocking number, you may write “see attached evidence of blocking” in the space for a Blocking Number in the bond claim form. Payments on account of bonds blocked through this process will be made in accordance with the Account Information for Payment in Kind and Payment of Cash, as provided in the bond claim form.

[Please note that the Winding-Up Committee is currently seeking to resolve certain trading issues in connection with the “AU” ISIN codes.]

If you decide to trade your claim after the bonds have been blocked, you must follow the procedures described in Question 21 above. Once a claim transfer has been perfected, the Winding-Up Committee, through Epiq, will advise the relevant accountholders to unblock and re-block the blocked position based on the directions in the bond claim transfer form, and in accordance with their customary procedures.

**25. Do I need to include a blocking number in the bond claim form?**

It depends. For some bonds (held through Euroclear, Clearstream or DTC) a blocking number is required to be included in the bond claim form. For other bonds (held through other depositories) it is not necessary to include a blocking number and you may write “see attached evidence of blocking” in the space for a Blocking Number in the bond claim form and enclose such evidence of blocking. (In the event of a discrepancy, the Winding-Up Committee reserves the right to request additional information with respect to proof of ownership of the Kaupthing Bonds.) See Question 24 above.

**26. What about bearer securities?**

Many bearer securities are on deposit with a depository, such as Euroclear, Clearstream or DTC. However, in the event you hold any bearer Kaupthing bonds in physical form, you are required to deposit your bearer Kaupthing bonds with an accountholder and request that the accountholder block your bonds. See Question 24 above.

**27. Can my Kaupthing bonds be unblocked once I have requested that they be blocked?**

No. The bonds can only be unblocked to allow for a claim transfer, which can only take place after the transfer has been perfected with the Winding-Up Committee according to the procedures to be described in the FAQs. See Question 21 above.

**28. What happens if I have not been able to obtain a blocking number for my Kaupthing Bonds?**

You should file a claim anyway. Failure to provide a blocking number for any reason will potentially affect the Winding-Up Committee’s ability to verify and, therefore, properly determine the validity of your claim related to Kaupthing Bonds. Nonetheless, failure to file a claim by 30 December will automatically preclude you from receiving any payment on account of such claim.

**29. Can I block an amount that is less than the minimum required denomination?**

It depends on the depository. Each depository has established its own blocking rules based on its existing procedures and technical requirements and limitations. The Winding-Up Committee has **no** ability to cause a depository to alter its process, and is only in a position to convey the information it

has obtained from its communications with these depositories. In this regard, the Winding-Up Committee has learned:

- DTC will, in its discretion, provide a blocking number for an amount that is less than the minimum required denomination.
- Euroclear and Clearstream will **not** provide a blocking number for an amount that is less than the minimum required denomination. However, in the event a broker holds amounts through Euroclear or Clearstream that are smaller than the minimum required denomination and held in a single account, the following step-by-step procedure may be used to facilitate the blocking process:
  - The broker may request blocking of the full amount and obtain a blocking number. (This will be possible only if all clients agree to have their Kaupthing Bonds blocked.)
  - The broker provides each client with the blocking number.
  - The broker provides the Winding-Up Committee with a listing including an exact breakdown of each client, and the client's portion of the blocked amount. (This list should reflect the total of the blocked amount.)
  - Each beneficial owner of the relevant Kaupthing Bonds would include in its individual bond claim form the blocking number provided by the broker through this process.

**No transfer of a claim related to a Kaupthing Bond that is blocked through this process would be recognized by the Winding-Up Committee unless the full amount is to be transferred to a single transferee.**

**The Winding-Up Committee does not recommend or guarantee the above procedure. In addition, you should contact your broker or accountholder to learn more on this subject.**

### **30. What law applies?**

Icelandic law applies to the winding-up of Kaupthing. The main relevant laws are the Act on Bankruptcy etc, No. 21 of 26 March 1991; and Act 44 of 2009 amending Act 161 of 2002, on Financial Undertakings, as subsequently amended.

English translations of these Acts are available on the Icelandic government's website:

<http://eng.domsmalaraduneyti.is/laws-and-regulations/english/nr/6570>

<http://eng.vidskiptaraduneyti.is/laws-and-regulations/nr/2911>

These links are for your convenience and Kaupthing and/or the Winding-Up Committee take no responsibility for their accuracy. In the event of inaccuracy or inconsistency, the original Icelandic law prevails. You are strongly advised to take your own legal advice.

### **31. If I have any queries, whom should I submit them to?**

Please address queries in the first instance to the Winding-Up Committee at **winding-up@kaupthing.com** or Kaupthing's claims agent Epiq Bankruptcy Solutions, LLC at [\\_\\_\\_\\_@epiqsystems.com](mailto:____@epiqsystems.com). You can also call +1 646.282.2400. If by mail please send queries to the following address:

Epiq Bankruptcy Solutions, LLC

757 Third Avenue  
3rd Floor  
New York, NY 10017  
U.S.A.

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