

Hf. Eimskipafelags Islands 2008 Annual General Meeting

The proposals submitted at the Annual General Meeting of Hf. Eimskipafelag Islands held on 18 March 2008 were approved by the required majority.

1. The following proposal on remuneration of Directors was approved unanimously:

The Annual General Meeting of Hf. Eimskipafélag Islands, held on June 30th 2009, resolves to pay remuneration to each Director for the year 2009 as follows: Chairman of the Board: ISK 360,000 per month, each director: ISK 180,000 per month.

2. The following proposal on a Remuneration Policy was approved unanimously:

Remuneration Policy of HF. Eimskipafelag Islands

Art. 1 Objective

The objective of this Remuneration Policy is to make an employment for Hf. Eimskipafelag Islands a desirable choice for personnel and therefore guaranteeing the Company's competitiveness on an international basis. In order for this to happen it is necessary for the Board of Directors to be able to offer competitive salaries and other benefits such as bonuses and stock options on an international scale.

Art. 2 Remuneration Committee

The Remuneration Committee shall comprise of three persons appointed by the Board from among its members. The Committee shall be appointed with a specific Letter of Appointment.

The role of the Remuneration Committee is to be instructive for the Board and the CEO on remunerations of key employees of the Company and on the Remuneration Policy. Furthermore, the Committee shall monitor that remunerations of the Company's management are within the scope of the Remuneration Policy and annually provide the Board with a statement thereon in relation to the Company's Annual General Meeting.

Art. 3 Remuneration of Directors

Board members shall receive a fixed monthly payment in accordance with the decision of the Annual General Meeting of the Company, as is stipulated in Article 79 of the Act no. 2/1995 on Public Limited Companies. The Board of Directors shall submit a proposal on the fee for the upcoming operating year and shall take into account the time Board members spend on their duties, the responsibility involved, and the Company's operations in general.

Board members shall receive a fixed fee for each meeting they attend in the Board's subcommittees. The fee shall be decided by the Annual General Meeting of the Company.

Art. 4 Remuneration of the Chief Executive Officer

A written employment contract shall be made between the Company and the Chief Executive Officer (CEO). His terms of employment shall be competitive on an international standard.

The amount of salaries and other payments to the CEO shall be decided on the basis of his education, experience and previous occupation. Other terms of employment shall be specified in the contract, along with pension payments, vacation rights, benefits and terms of notice. An initial payment at recruitment is permitted.

When determining the term of notice in the employment contract it is permitted to have specific provisions to the effect that such term of notice shall be extended in proportion to the CEO's term of employment. Furthermore, the employment contract shall prescribe the conditions for the CEO's resignation.

The CEO's base salary shall be revised annually and upon such revision, the Remuneration Committee's valuation of the CEO's performance, the general development of remuneration in comparable companies and the Company's earnings shall be taken into consideration.

In general, no additional retirement or termination payments to those stipulated in the employment contract shall be agreed upon in the case of termination. However, special circumstances, as determined by the Remuneration Committee, may lead to a separate termination agreement with the CEO, the provisions of which may include retirement or termination payments.

Art. 5 Remuneration of Managing Directors

The CEO employs the Company's Managing Directors in consult with the Board of Directors. When determining the terms of employment of Managing Directors, the same issues as prescribed in Art. 4 apply.

Art. 6 Remuneration of key employees

The Remuneration Committee may propose to the Board of Directors that the management be rewarded in addition to their set terms of employment in the form of delivery of shares, performance-based payments, stock options or any payment based on the Company's shares or the future value of such shares, pension fund contributions, retirement or severance payments.

The decision whether members of management shall be rewarded in addition to their set terms of employment shall be based on the respective party's status, responsibility, performance and future prospects within the Company.

When granting stock options with respect to shares in the Company, such previous options granted to the respective party shall be taken into consideration, whether such option has been exercised or not. In general, stock options shall only be exercisable by those optionees who are working for the Company at the time when the stock option becomes exercisable.

Art. 7 Other employees

When determining terms of employment of other employees, the Managing Directors shall take the above provisions into consideration, as applicable.

Art. 8 Information

At each Annual General Meeting, the Board shall report on the terms of employment of the CEO, Managing Directors and Board members. Such report shall contain information on the total salaries paid in the preceding year, payments from other companies within the group, amounts of bonus payments and stock options, other payments based on the Company's shares, severance payments, if any, and the aggregate of amount of any additional payments.

Art. 9 Approval of the Remuneration Policy and other matters

The Remuneration Policy shall be submitted to the Annual General Meeting and shall be subject to annual review and shall be submitted to the Annual General Meeting for approval.

The Remuneration Policy is binding for the Board of Directors with regard to stock options and any agreements or payments based on the price of shares in the Company, cf. Article 79. a, Paragraph 2 of the Act no. 2/1995 on Public Limited Companies. In all other aspects, the Remuneration Policy shall be viewed as a guideline for the Company and the Board. The Board of Directors shall note in the minutes of its meetings any major deviation from the Remuneration Policy and such deviation shall be well justified. The Board of Directors shall inform the next Annual General Meeting of such a deviation.

3. The following persons were elected unanimously to the Board of Directors:

- a. Sindri Sindrason
- b. Fridrik Johannsson
- c. Tómas Otto Hansson
- d. Orri Hauksson
- e. Pétur Guðmundarson

4. The following proposal regarding election of an auditor for the term was approved unanomously:

The Annual General Meeting of Hf. Eimskipafelag Islands elects KPMG hf. on their behalf as the Company's auditor for 2009.

