



## GOVERNMENT DEBT MANAGEMENT

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### Press Release

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## **SIGNING OF AGREEMENTS CONCERNING SECONDARY MARKET ISSUANCE AND MARKET MAKING IN TREASURY SECURITIES**

The Minister of Finance has assigned the Government Debt Management within the Central Bank of Iceland the task of concluding agreements concerning secondary market issuance and market making in Treasury securities.

Members of the NASDAQ OMX in Iceland that can demonstrate, in a verifiable manner, that they have a minimum equity position of ISK 2,000 millions and are equipped to participate in auctions of Treasury securities are invited to become parties to such agreements. It is intended to conclude agreements with four (4) or more Exchange members, who will become primary dealers.

Primary dealers have the exclusive right to submit bids at the auctions, where Treasury securities are offered for purchase or sale. They also have access to securities lending facilities offered on behalf of the Treasury.

Primary dealers will act as market makers for benchmark series of Treasury securities on the Exchange. Primary dealers are obliged to submit bid and ask quotes for a minimum of 100 m.kr. for each benchmark series of Treasury bonds in accordance with the minimum spread specified in the agreements.

Further information can be found in the accompanying sample agreement concerning secondary market issuance and market making in Treasury securities. Exchange members that wish to become primary dealers in Treasury securities shall appear at the offices of the Central Bank of Iceland, Kalkofnsvegur 1, Reykjavík, at 16:00 on Friday, 14 May 2010, in order to sign the pertinent agreement.

Further information can be obtained from Björgvin Sighvatsson in the Government Debt Management at +354 569 9600.