



## GOVERNMENT DEBT MANAGEMENT

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### Press Release

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

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

Members of the NASDAQ OMX in Iceland that have been granted an operating licence pursuant to clause 1-3 in first paragraph of article 4 in Act No. 161/2002 on financial undertakings and have equity of minimum of EUR 5 million, cf. second paragraph of article 14 of the same Act and are equipped to participate in auctions of Treasury securities, are invited to become parties to such agreements.

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 according to terms and rules.

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 issuance of Treasury securities and market making in the secondary market. 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, 16 March 2012, in order to sign the pertinent agreement.

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