



MINISTER-PRESIDENT

Mrs Jóhanna Sigurðardóttir
Prime Minister of Iceland

No.: 3084904

The Hague, 12 November 2009

Dear Prime Minister,

I would like to thank you for your letter of the 28th of August in which you point out important matters on the Icesave loan agreements.

Within days after your letter, representatives from Iceland, the United Kingdom and the Netherlands met in The Hague. Later on meetings followed in London and Reykjavik. Our colleagues from Foreign affairs and Finance met and discussed the issues as well.

I am very pleased to note that these efforts have been successful and that representatives from Iceland, the United Kingdom and the Netherlands have agreed upon amendments to the loan agreement. These amendments should adequately resolve the issues surrounding the guarantee of deposit holders of Landsbanki. This is an important step towards a final solution between our countries. I sincerely hope that the agreement can be finalised directly after approval of the State Guarantee Act by your parliament, the Althingi.

A definitive resolution of this issue will enable us to leave this difficult period behind us and further strengthen the excellent relations between our two countries.

Sincerely,

Dr Jan Peter Balkenende
Prime Minister of the Kingdom of The Netherlands