

**Articles of Association
of
Stefnir Asset Management Company hf.**

Section I

Name of the company, address and purpose

Article 1

The name of the company is Stefnir hf. The company's foreign byname is Stefnir Asset Management Company hf.

Article 2

The address and legal venue of the company is Borgartún 19, Reykjavík, Iceland.

Article 3

The purpose of the company is the day-to-day operation of an undertaking for collective investments in transferable securities, investment funds and institutional investment funds, pursuant to act no. 128/2011 on Undertakings for Collective Investment in Transferable Securities (UCITS), Investment Funds and Institutional Investment Funds, cf. item 7 of Par.1 of Art. 4 of Act no. 161/2002 on Financial Undertakings. The purpose of the company is also asset management, investment advice and custody and mangament of financial instruments in collective investment according to item 7 of Par. 1 of Art. 4, cf. item c in item 6 in Par. 1 of Art. 3 and item 1-3 of Par. 1 of Art. 27 of Act no. 161/2002 on Financial Undertakings. The company shall also attend to any operations necessary for the purpose of the company.

Section II

Share capital

Article 4

The company's share capital is ISK 43,500,000 *–forty-three million five hundred thousand⁰⁰/100 Icelandic krónur–* which is divided into the same number of shares. Each share is of ISK 1, *–one Icelandic króna–* at nominal value. It is authorized to issue one share to each shareholder.

A shareholders' meeting alone has the authority to increase or decrease share capital.

Article 5

No special rights are attached to the shares in the company. Shareholders are not required to redeem their shares unless required to do so by law.

Article 6

There are no restrictions of the sale or assignment of shares in the company. Shareholders do, however, have rights to new shares in the company. The company is not authorized to

buy own shares except to the extent provided for by law. The company may not issue a loan in its shares.

Any change in ownership of shares, whether through sale, gift, inheritance, settlement of an estate, or attachment shall always be reported immediately to the offices of the company, and the register of shares shall be amended accordingly.

Any party acquiring shares in the company cannot exercise his or her rights as a shareholder unless his or her name has been registered in the register of shares or he or she has provided proof of ownership to the shares. Voting rights are not acquired until 14 days from the time the shareholder's name is registered in the register of shares.

The assignment of shares shall always be written on the share certificates.

The register of shares shall be regarded vis-à-vis the company as full proof of ownership to shares in the company. Any dividends at any given time, as well as bonus shares, invitations to meetings and all announcements shall be sent to the party who at that time is the registered owner of the relevant shares in the company's register of shares. The company is not responsible if any payments or announcements go astray because of a failure to notify change of ownership or address.

It is permitted to invalidate lost shares without judgment pursuant to Par. 8, Art. 27 of Act no. 2/1995.

The subject of this article shall be printed on each share.

Section III

Activities and board of directors of the company

A. Shareholders' meetings

Article 7

The supreme authority in the affairs of the company is in the hands of legitimate shareholders' meetings. Shareholders wield the power to decide upon company affairs at shareholders' meetings. A shareholder may appoint a proxy to attend a shareholders' meeting on his behalf. There are no voting rights attached to the company's own shares. Decisions at shareholders' meetings shall be taken by majority vote unless otherwise provided in law.

The Annual General Meeting shall be held before the end of April each year. Shareholders shall be invited to Annual General Meetings and Extraordinary Meetings by letter with at least two weeks' notice but not more than four weeks' notice.

Article 8

All shareholders are entitled to have a specific item of business included on the agenda at shareholders' meetings, provided they do so in writing to the board of directors at least ten days before the start of the meeting.

The invitation to the meeting shall state the business of the meeting. One week before a shareholders' meeting, at the latest, an agenda, final submissions and, in the case of Annual General Meetings, the annual accounts and the Auditor's report shall be laid open for inspection by the shareholders at the Company office, and at the same time sent to each registered shareholder if so requested.

Article 9

At shareholders' meetings one vote is attached to each króna of share capital.

Article 10

The Agenda of the Annual General Meeting shall include the following:

1. The report of the Board of Directors on the activities of the Company in the preceding year of activities.
2. The audited accounts of the Company for the preceding financial year.
3. Decision on the payment of dividends and the disposal of earnings or loss on the preceding financial year.
4. Motions to amend the Articles of the Company, if submitted.
5. Elections to the Board of Directors.
6. Election of an auditor.
7. A Board of Directors' proposal concerning the remuneration policy of the Company.
8. Decision on remuneration to the Members of the Board of Directors for the next term of office.
9. Any other business legitimately raised.

B. Board of Directors

Article 11

The Board of Directors of the Company shall be composed of five members and a statutory minimum number of alternates. The Board shall be elected at the Annual General Meeting. The main Board Members should be elected first, followed by the alternates.

The eligibility of members of the Board shall be subject to statutory law. Board Members should have sufficient knowledge and experience to be able to perform their duties in an appropriate manner. They may not have behaved in any way which suggests that they may abuse their position or damage the company.

Article 12

The Board shall elect a chairman from one of its members. The chairman shall convene and preside at board meetings.

A meeting shall be called if any board member, auditor or managing director so requires. Members of the board are authorised to participate in board meetings with the assistance of electronic media.

Board meetings are legitimate if the meeting is called in accordance with the articles of association and at least three board members are in attendance or participate in the meeting with the assistance of electronic media. At least a majority of the votes is

required for a resolution to be valid at a board meeting. Proceedings at a board meeting shall be recorded in a special book of minutes.

Article 13

The company's Board of Directors shall handle the affairs of the company unless otherwise provided for in these Articles of Association.

Its tasks include the following:

1. To supervise the company's activities. It is responsible for monitoring operations, particularly book-keeping and financial affairs, in accordance with laws and articles of association.
2. To confirm key factors in the company's administration.
3. To appoint a managing director and to determine the terms of his or her employment.
4. To be a party to agreements on employees' salary terms and their legal position vis-à-vis the company.
5. To take policy making and major decisions concerning the company's finances, investments and activities.
6. To submit proposals to the Annual General Meeting on how to dispose of profit according to the annual accounts.
7. To tend to other tasks specified by law, e.g. maintaining a register of shareholders.

Article 14

The Board of Directors of the company is authorized to obligate the company and it requires the signature of three board members.

C. Managing director

Article 15

The managing director shall be resident in this country. The eligibility of the managing director shall be subject to statutory law

The managing director is in charge of the day-to-day operations of the company. The managing director is responsible for ensuring the operations are conducted in accordance with legislation, these articles of association and the decisions of the board of directors.

Section IV

Annual accounts and auditing

Article 16

The company's financial year is the calendar year. The annual accounts shall be audited by a state authorized public auditor or an auditing company. The auditor shall be elected at the company's Annual General Meeting.. The election period of the auditor shall be subject to statutory law.

Article 17

These articles of association may be amended at a legitimate Annual General Meeting or Extraordinary General Meeting, with 2/3 thirds of votes cast, and with the approval of shareholders controlling at least 2/3 shares in the company represented at the meeting, provided that no other proportion of votes is stipulated in the articles of association or national legislation.

Article 18

Proposals on the dissolution or division of the company should be treated in the same way as amendments to these articles of association. Shareholders' votes representing at least 2/3 of the total share capital in the company are required for a resolution on the dissolution of the company to be valid.

Section V

Other provisions

Article 19

Matters on which these Articles provide no directions shall be governed by the provisions of Act No. 161/2002 on Financial Undertakings, Act no. 128/2011 on UCITS, Investment Funds and Alternative Investment Funds, Act no. 108/2007 on Securities Transactions, Act no. 3/2006 on Annual Accounts and Act no. 2/1995 Public Limited Companies.

These articles of association were approved at the establishment meeting of the company on 26 September 1996, with subsequent amendments made at an Annual General Meeting of 22 April 1998, 27 June 2003, 1 October 2003, 8 april 2004, at a Shareholders' Meeting of 10 December 2007, at an Annual General Meeting of 9 June 2009, at a Shareholders' Meeting of 24 November 2009, at an Annual General Meeting of 16 April 2010, at an Annual General Meeting of 21 March 2011, at an Annual General Meeting of 20. March 2012 and at an Annual General Meeting of 20. March 2013, and at an Annual General Meeting of 17 March 2015.

