**CONFLICTS OF INTERESTS**

SpareBank 1 Markets (“**SB1 Markets**”) has a cooperation (“**the Cooperation**”) with some owner banks for trading in interest- and currency derivatives and currency spot trading. The collaboration banks are:

a) SpareBank 1 SMN

b) SpareBank 1 Sør-Norge, and

c) SpareBank 1 Nord-Norge

(“**the Collaboration Banks**”)

For trading in bonds and certificates SB1 Markets AS has a collaboration with SpareBank 1 SMN. Some Clients will establish a customer relationship with both a Collaboration Bank and SB1 Markets when purchasing investment services. SB1 Markets and the Collaboration Banks have decided to establish a common conflict of interest policy. This document therefore applies both for Clients that solely have a customer relationship with SB1 Markets, and for Clients that have a customer relationship with both SB1 Markets and one (or several) of the Collaboration Banks.

SB1 Markets has business interests in many global jurisdictions and offers a wide variety of products and services to a broad and diverse client range. From time to time, SB1 Markets will inevitably find itself in a position where the interests of one client may compete with (i) the interests of SB1 Markets (including any of its employees or affiliates); (ii) the interests of another client of SB1 Markets or (iii) between clients of 2 different Collaboration Banks. However, SB1 Markets takes all reasonable steps to prevent conflicts of interest from giving rise to a material risk of damage to clients.

SB1 Markets has in place organisational and administrative arrangements to manage those conflicts of interest which it has identified as entailing a material risk of damage to the interests of one or more of its clients, and has established and implemented a written conflicts of interest policy.

The conflicts of interest management arrangements that SB1 Markets has put in place are broadly designed to ensure that those personnel and group entities carrying out different business activities involving a conflict of interest carry out such activities with a sufficient level of independence to protect the interests of its clients. They include:

* effective procedures to prevent or control the exchange of information;
* separate supervision of personnel whose principal functions involve carrying out activities on behalf of, or providing services to, clients whose interests may conflict or who otherwise represent different interests that may conflict (including those of the Group);
* removal of any link between the remuneration of personnel principally engaged in one activity and the remuneration of, or revenues generated by, different personnel principally engaged in another activity, where a conflict of interest may arise;
* measures to prevent or limit any person from exercising inappropriate influence over the way in which services or activities are carried out; and
* measures to prevent or control simultaneous or sequential involvement of personnel in separate services or activities where such involvement may impair the proper management of conflicts of interest.

If the arrangements put in place by SB1 Markets to manage conflicts of interest are not sufficient to ensure with reasonable confidence, that the risk of damage to the interests of a client will be prevented, SB1 Markets will clearly disclose the general nature and/or sources of conflicts of interest to the client before undertaking business with them.

Further details of SB1 Markets’ conflicts of interest policy are available upon request.