

Handelsbanken

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Cost and charges

The purpose of this document is to set out the charges that are associated with investing in the products below. This is not advertising material. This information is required by law to assist you in understanding the cost of the product and in comparing it with other products.

Name: **Interest Rate Derivatives**

Charges

When trading in interest rate derivatives, Handelsbanken may take a margin to cover capital costs, risks, and costs that arise or may arise in the handling of the transaction. The margin is included in the total price and represents the difference between the price to the customer and the interbank market price at the time of trade.

The variation in the size of the margin depends on several factors such as, but not limited to, size of the transaction, liquidity, market conditions, clearing- and settlement fees, platform costs, financing costs, counterparty risks, operational risks, and service costs.

In addition to this, there may be a brokerage fee charged, according to Handelsbanken's current price list, when trading in the retail market. Numbers show total margin, not annual margin.

Product category - Interest Rate Derivatives	Maturity					
	0,25 years	1 year	3 years	5 years	7 years	10 years
Interest Rate Option	0,25 %	0,50 %	0,75 %	1,25 %	1,75 %	2,50 %
Interest Rate Swap	0,25 %	0,50 %	0,75 %	1,25 %	1,75 %	2,50 %
Interest Rate- & Currency Swap (Basis)	0,38 %	0,75 %	1,13 %	1,88 %	2,63 %	3,75 %

Note that the margins in the tables above are estimates and they are not a guarantee of future prices. The margins can be considered as an estimate of Handelsbanken's current margin. These may change over time and may then be updated. Each individual trade is unique and its margin is determined by several factors as listed above.

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Example

Here is an example of how costs and charges over time can affect the value of an exposure of NOK 100,000 in an Interest Rate Swap with a maturity of selected years, with a margin according to the above table.

To show more clearly how the charges affect the value of the investment, the example assumes that there is no change in the value of the actual investment during the period, since such changes in value vary between different periods and different products. In the example, the charges are accumulated over the years. The amounts are shown in NOK.

Time period	Annual return before charges	Gross return	Total Charges	Total Return after charges
1 year	0 %	0	500	-500
3 years	0 %	0	750	-750
5 years	0 %	0	1.250	-1.250