1. INTRODUCTION

1.1 This Policy is issued pursuant to, and reflects compliance with, the European Directive 2004/39/EC of 21 April 2004 on markets in financial instruments (MiFID) and with the implementing Danish legislation that apply to Saxo Bank A/S and its branch offices (“Saxo Bank”). It is not intended to create third party rights or duties that would not already exist if the Policy had not been made available and it does not form part of any contract between Saxo Bank and any client or prospective client.

1.2 This Policy is a supplement to Saxo Bank's overall general obligation to act with integrity and fairness, both towards its clients and its counterparties.

1.3 Saxo Bank is committed to professionally managing potential conflicts of interest which may arise between its constituent businesses.

1.4 This Policy is available to Saxo Bank's clients upon request and is also made available on our websites, including www.saxobank.com. Saxo Bank reserves the right to amend or supplement this Policy at any time.

1.5 Heads of the different business sections in Saxo Bank are responsible for identifying, preventing and managing conflicts of interests in their section.

2 IDENTIFICATION AND GENERAL DISCLOSURE OF THE NATURE OF POTENTIAL CONFLICTS OF INTEREST AND OF THEIR SOURCES

2.1 Saxo Bank hereby identifies and discloses a range of circumstances which may give rise to a conflict of interest and potentially but not necessarily be detrimental to the interests of one or more clients. Such a conflict of interest may arise if Saxo Bank, or any person directly or indirectly controlled by Saxo Bank or a client, is likely to make a financial gain, or avoid a financial loss, at the expense of a client. Saxo Bank will manage conflicts of interest fairly.

2.2 Saxo Bank has identified the following circumstances which may give rise to a conflict of interest:

A. Saxo Bank may provide advice to clients whose interests may be in conflict or competition with other clients' interests;

B. Saxo Bank may have an interest that is contrary to clients' transactions, e.g. when clients trade in markets where Saxo Bank acts as a market maker or when Saxo Bank wishes to invest in the same instrument as a client;

C. Saxo Bank, its employees and related legal persons may have, establish, change or cease to have positions in securities, foreign exchange or other financial instruments covered by an investment recommendation or advice;

D. Saxo Bank’s portfolio managers may trade in securities or other financial instruments on behalf of the clients knowing that the trades will be beneficial to Saxo Bank’s, its employees’ or related persons’ positions in the same instruments;

E. Saxo Bank may have an interest in maximizing trading volumes in order to increase its commission revenue, which is inconsistent with the client’s personal objective of minimizing transaction costs;

F. Saxo Bank’s bonus scheme may award its employees based on the trading volume etc.;
S. Saxo Bank may receive or pay inducements to or from third parties for the referral of new clients where the amount of remuneration is based on the fees earned from the clients.

3 REGISTRATION OF CONFLICTS OF INTEREST

3.1 Saxo Bank maintains a register of the investment services and activities and ancillary services carried out by or on behalf of Saxo Bank which have given or could give rise to a conflict of interest, which may be detrimental to the interests of one or more clients. The information in the register facilitates the management of conflicts of interests and potential conflicts of interest.

4 MANAGING CONFLICTS OF INTEREST

4.1 In order to manage possible conflicts of interest, Saxo Bank maintains processes, procedures and organizational arrangements, which are referred to hereinafter.

4.2 Critical arrangements of Saxo Bank’s Policy for managing conflicts of interest include the following:

A. All employees are bound by professional secrecy and confidential information is only to be shared if essential for performing a job function;

B. All employees are at all times bound to act loyally to Saxo Bank and be in full compliance with its procedures;

C. All employees receive instructions and guidance regarding managing of conflicts of interest;

D. All clients are to be treated fairly;

E. Saxo Bank aims at distributing research publications to clients, prospective clients and other third persons for information and educational purposes as part of its investment management activities and in circumstances in which Saxo Bank will not reasonably be expected to have a material influence on a client’s or a third person’s investment decision;

F. Research publications/recommendations contain information on any material interests or conflicts of interest that Saxo Bank or its related legal persons or the research analyst responsible for the publication/recommendation has in relation to the securities or the issuer to whom the publication/recommendation pertains and information on Saxo Bank’s organizational and administrative arrangements for managing conflicts of interest in connection with such publications/recommendations;

G. Research publications/recommendations are internally distributed exclusively at the same time as they are distributed to clients. Research analysts do not provide Trading personnel with advance knowledge of the timing and content of forthcoming publications/recommendations;

H. Trading personnel are not permitted to review sections of publications containing recommendations, research summary, price targets or value recommendations, even to verify factual accuracy, prior to publication;

I. All employees are bound by Saxo Bank’s rules and guidelines for employee trading as in force and effect from time to time;

J. Saxo Bank’s bonus scheme is compounded of several elements and each
trade related element does not alone affect the bonus significantly;

K. All representatives of Saxo Bank hold a license if a license is required for performing the business in the country where the representative is registered;

L. Saxo Bank monitors internal reporting and the effectiveness of its policies and procedures for managing conflicts of interest.

5 DISCLOSURE OF CONFLICTS OF INTEREST

5.1 If the measures in place are not sufficient to avoid or manage a conflict of interest relating to a client, Saxo Bank will disclose the conflict of interest before undertaking further business with the client.

6 REVIEW

6.1 This Policy is reviewed on a regular basis and at least once a year.