

Cost and Charges, FRA 3 months

Example of a Client purchasing a 3 month Forward Rate Agreement with a notional amount of 10 MNOK with a start date in 6 months.

Trade Example

Notional Amount	10 000 000
Duration (months)	3
Credit charge in basis points (bps)	1

Cost of distribution includes consideration of duration

Cost and Charges	Bps	Fees in NOK	Fee as a percentage of nominal amount
Cost of transaction after 1 year		250	0,01 %
Credit charge	1		

Credit Charges includes cost of distribution as well as capital charges in accordance with current regulation. XVA is collective name for some charges, such as, but not limited to CVA, KVA, FVA. Capital charges vary depending on product type, duration, counterparty type and creditworthiness and will subsequently differ on a transactional basis. An identical transaction traded twice between the same counterparties will not have identical XVA charges.

This example does not consider revaluation changes to the transaction caused by external events such as changes in interest- or FX rates. The example displays the cost and charges after one year with the intention of holding to maturity.