

Oslo Clearing ASA
Derivatives Clearing
Self Assessment CPSS-IOSCO Recommendation

Jurisdiction	Norway
Responding institution	Oslo Clearing ASA as CCP
Name of entity assessed	Oslo Clearing ASA
Response can be found at	www.osloclearing.no
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Information accurate as of	December 2009

I. INTRODUCTION

Oslo Clearing ASA ("Oslo Clearing") is a central counterparty ("CCP") authorised as a clearing house pursuant to Chapter 13 of the Securities Trading Act ("STA"). The company currently operates as a central counterparty for financial derivatives and securities lending products including standardised derivatives that are listed and traded on Oslo Børs ASA ("Oslo Børs").

Oslo Clearing has extensive experience of, and focus on, developing efficient clearing services for the securities market and its members. The extension of its activities to include equivalent services for clearing transactions in equities is therefore seen as a natural step towards offering a more complete product portfolio and a broader range of services for existing and new members.

Oslo Clearing is a public limited company, wholly owned by Oslo Børs VPS Holding ASA, and subject to supervision by the Financial Supervisory Authority of Norway ("Finanstilsynet").

Oslo Clearing was established in 1987 under the name NOS Clearing (the Norwegian Futures and Options Clearing House), which at that time operated as a clearing house for the Norwegian equity derivatives market only. NOS Clearing expanded its services to comprise energy and freight clearing. After the merger of NOS and Imarex in 2006, the financial clearing activities were demerged and divested to Verdipapirsentralen ASA ("VPS"), as a wholly owned company under the name of VPS Clearing ASA.

VPS Clearing ASA received license from the Ministry of Finance to act as central counterparty for trading in financial derivatives as of 1 September 2006, including financial standardised derivatives traded on Oslo Børs and tailor made (OTC) derivatives, as well as for security lending products.

As a consequence of the merger between the holding companies of Oslo Børs ASA and VPS ASA as of 27 November 2007, the combined entity, Oslo Børs VPS Holding ASA, assumed direct ownership of VPS Clearing ASA, and the company was renamed Oslo Clearing.

NOS Clearing, Oslo Børs, OM Stockholm AB and the OMLX Exchange in London launched the world's first real-time interconnection of independent exchanges and clearing houses in 1997 (the "Link Cooperation"). This partnership introduced electronic trading on Norwegian derivatives market, and a joint order book for Norwegian and Swedish derivatives was introduced in 2004, making possible cross-border trading of derivatives.

The collaboration between the direct and indirect partners to the Link Cooperation, Oslo Børs, Oslo Clearing, NasdaqOMX and EDX (London) was replaced by a bilateral link between Oslo Børs/Oslo Clearing and EDX/LCH.Clearnet Ltd. ("LCH") on the 7 December 2009.

The board of directors of Oslo Clearing decided to establish a CCP for trades in equity instruments the 24 February 2009, and Oslo Børs VPS Holding ASA decided the 25 February 2009 to introduce mandatory clearing of trades in equity instruments on Oslo Børs and Oslo Axess. Oslo Børs has appointed Oslo Clearing to provide this service, and Oslo Clearing has applied the Ministry of Finance for an extension of its license, to include clearing of equity instruments.

Oslo Clearing expects the clearing of equity market instruments to commence in the first half of 2010.

II. SELF ASSESSMENT

CPSS-IOSCO issued a set of 15 recommendations for central counterparties in November 2004. This document provides the self-assessment of Oslo Clearing on the observation of each recommendation.

This document will present each recommendation in the same sequence as provided by CPSS-IOSCO, and for each recommendation the applicable recommendation will be reiterated, as well as the key questions, followed by the assignment category.

The self-assessment is focused on the derivatives clearing service provided by Oslo Clearing, however, where deemed relevant, the totality of the clearing service, comprising both derivatives and the prospective equities clearing will be assessed. This will mainly be the case for the recommendations addressing the defence mechanisms of the CCP, its financial resources and default procedures.

Recommendation 1: Legal risk

A CCP should have a well founded, transparent and enforceable legal framework for each aspect of its activities in all relevant jurisdictions.

Key questions

1. *Are the laws and regulations governing the operation of a CCP and the rules, procedures and contractual provisions for its participants clearly stated, internally coherent and readily accessible to participants and the public?*

1.1 Laws and regulations governing the operations of a CCP

Reference

CCP activity in Norway is regulated by the STA, chapter 13, the Financial Supervisory Authority Act, and the regulations on the calculation of adequate capital applicable for

STA Chapter
13

clearing houses. In addition, the clearing operations are largely affected by other legislation such as the Pledge Act, the Securities Register Act, the Financial Collateral Act, the Enforcement Act etc.

Oslo Clearing is a licensed clearing house for clearing of derivatives contracts and is subject to supervision by the Finanstilsynet. STA section 15-1.

1.2 Legislation and Rulebook relevant for settlement systems

Settlement systems are not subject to a mandatory license requirement. However, settlement system may apply for authorisation by the Finanstilsynet in accordance with the Payments Systems Act (implementing the directive 98/26 on settlement finality in payment in securities and payment settlement systems). Payments System Act

Oslo Clearing's settlement systems are approved and notified to Finanstilsynet, which shall notify the ESA (European Surveillance Authority) according to the Payments Systems Act. The act specifies i.a. mandatory applicable law and provides legal basis for that agreements on clearing and settlement shall be legally binding upon a participant even in the event of insolvency proceedings against such participant.

1.3 Legislation relevant for margin collateral system

The margin collateral system of Oslo Clearing is designed to be a robust system in the event of default and insolvency of one or several end clients or Clearing Members. Under Norwegian law, the following legislation is relevant in this regard:

The Pledge act provides legal basis for valid, enforceable and perfectible rights of pledge in monetary claims including bank accounts in Norwegian banks. Pledge Act

The Securities Register act provides legal basis for valid, enforceable and perfectible rights of pledge in securities registered with a securities register (central securities depository) licensed in accordance with the Act. VPS is the only licensed securities' register in Norway. The pledge is perfected once it has been registered with VPS. Securities Registers Act

The Enforcement Act provides legal basis to foreclose collateral in the form of securities listed on a regulated market, in the event of default without any affirmative court decision. Oslo Clearing may instruct an independent broker to carry out a forced sale. Enforcement Act

The Financial Collateral Act, implementing the EU Financial Collateral Directive, establishes legal basis for close-out netting where all positions between the Clearing Member and the CCP are netted (set off) in connection with a default situation. Close-out netting is valid, enforceable and perfectible once the Financial Collateral Agreement is signed by the Clearing Member, provided that the agreement is entered into prior to the commencement of the bankruptcy proceedings. Financial Collateral Act Section 5

The end clients or, if applicable, the GCM shall provide collateral to comply with the margin requirement. The Clearing Members is jointly and severally liable with its end clients for meeting the margin requirement. ST section 8.1 cf 8.2 - 8.5 cf App. 5, cf section 2.6.6 and 8.2.1

Upon material default by the end client or the Clearing Member, Oslo Clearing may, as set out in the Standard Terms and the Financial Collateral Agreement, carry out close out (expiry cash settlement) whereby Oslo Clearing may carry out closing trades, balancing trades, hedging transactions, restatements and settling of bilateral loans and pool loans. Oslo Clearing may immediately foreclose on any and all collateral provided by the end client, the GCM or the Clearing Member to discharge claims against the applicable parties. As provided for in the financial collateral agreement Oslo Clearing's rights in connection with a default will be immediately enforceable against the defaulting party, without affirmative decision by the courts. ST section 9.3, 9.4, 10.3 and 10.4
Financial Collateral Act section 5, 6 and 7. Pledge Act section 4-6, and Enforcement act section 1-3.

The Financial Collateral Act specifies that for financial collateral in the form of securities Financial

all issues regarding the legal characteristics etc of the collateral, shall be regulated by the laws of the country wherein the account in question is held. Collateral Act section 9

1.4 Contractual provisions

Prior to the commencement of clearing activities a Clearing Member must sign the relevant membership agreement through which it adheres to the applicable Standard Terms. The end clients adhere to the Rulebook through the end client agreement, which they must sign prior to the commencement of trading with derivatives for clearing through Oslo Clearing. The Standard terms are publicly available on the website of Oslo Clearing. ST section 2.2.1.1

In addition, both the Clearing Members and the end clients are required to sign a Financial Collateral Agreement ("FCA"), or to provide a bank guarantee.

The following applies for derivatives clearing:

- Clearing of trades in listed derivatives, tailor made derivatives, bilateral security lending and automatic securities borrowing and lending connected to the VPO¹ contracts is regulated by Standard Terms for Clearing in Oslo Clearing ("Standard Terms")
- Each Clearing Member and end client shall enter into a FCA pursuant to the Pledges Act where the account holder is a physical person, and for other account holders also pursuant to the Financial Collateral Act. ST section 2.2.1.6

1.5 Oslo Clearing's evaluation of prevailing legislation and the Standard Terms

Our overall opinion is that the legislation is clearly stated and is readily accessible to the participants and the public. The legislation is publically available via the websites of the Finanstilsynet and other publically available sources.

The terms and conditions for clearing as set out in the Standard Terms are clearly stated. The rules are internally coherent and shall be readily accessible to the participants and the public via the homepage of Oslo Clearing.

2. *Does the legal framework demonstrate a high degree of assurance that there is a clear and effective legal basis for:*

- *The CCP to act as counterparty, including the legal basis for novation or open offer.*
- *The timing of assumption of liability as CCP.*
- *Netting arrangements.*
- *The CCP's interest in collateral (including margin) that a participant pledges or transfers to the CCP.*
- *Default procedures.*
- *Finality of transfers of funds and financial instruments.*
- *Other significant aspects of the CCP's operations, risk management procedures and related rules.*

2.1 **The CCP to act as counterparty, including the legal basis for novation, open offer or any other legal concept in relation to all cleared products,** Reference

and the timing of assumption of liability as CCP.

The legal basis for novation/open offer and timing for assumption of liability is clearly set out in the Standard Terms. ST section 6

Oslo Clearing operates as central counterparty in all business areas except for bilateral borrowing and lending where Oslo Clearing acts as guarantor.

There is a high degree of assurance with reference to Oslo Clearing's timing of assumption of liability as CCP.

2.2 Exchange traded derivatives are subject to instant novation, and OTC derivatives/tailor made contracts are novated after approval by Oslo Clearing.

As specified in the Standard Terms a modified version of "open offer" is applied for contracts in exchange traded derivatives. Trades registered on the exchange are immediately registered in Oslo Clearing's clearing system, whereby Oslo Clearing automatically enters as new counterparty to the seller and the buyer respectively. ST section 6.2

The bilateral clearing services for tailor made derivatives and the guarantee model for bilateral loans are both based on a "novation" model where acceptance by and registration at Oslo Clearing result in Oslo Clearing entering in as a new contractual party to the original parties to the transaction. ST section 6.3 and Appendix 3

Rules regarding re-registration are described in the Standard Terms Section 6.5 and Appendix 4 "Transfers of clearing transactions". ST section 6.5 and Appendix 4

Upon automatic borrowing and lending of securities in connection with the Norwegian central securities settlement system ("VPO"), clearing takes place through an "open offer" where Oslo Clearing automatically enters as contractual party when contracts in the VPS system for generation of borrowing and lending are made. ST 6.1.1, cf. Appendix 2.4

2.3 Netting arrangements, acceleration and termination of outstanding obligations.

The Standard Terms include three netting arrangements:

- Contract netting (novation)
- payment/settlement netting
- close-out netting upon default

The Standard Terms Section 5.2 provides for contract netting (novation) for options and futures registered on the same clearing account: The registration on the individual clearing account is a net position registration following the netting by novation where bought contracts are netted against sold contract in the same series and vice versa. Forwards may not be subject to contract netting (for which balancing trades must be made). ST section 5.2

The Standard Terms Sections 7.4, 7.9 and 7.10 provides for netting of cash-only settlements on end-client level or clearing representative level. Delivery settlements are netted on end-client level. ST section 7.4, 7.9 and 7.10

The Standard Terms Section 9.3 provides for close-out termination in the event of an end-client default, while the Standard Terms Section 10.3 provides for close-out termination in the event if a Clearing Member default. ST section 9.3 and 10.3

The close-out termination implies that Oslo Clearing or the clearing representative undertakes to carry out close-out trades or balancing trades respectively on the Clearing Members' or the end clients' account(s). The close-out trades results in contract netting where the new contract is netted against an open position (resulting in a zero credit balance). The money claims generated by close-out trades and balancing trades become payable immediately, and the negative and positive amounts for Oslo Clearing are netted/offset as provided for in the relevant sections.

The close-out termination is a pre-agreed close-out netting arrangement specified in the Standard Terms, and also established by individual agreements between Oslo Clearing and each end-client and Clearing Member. The arrangement is also structured as security interests for Oslo Clearing in the relevant claims and deliverables based on the Pledge Act, and the Financial Collateral Act with respect to Clearing Members/end-clients not being physical persons. The Financial Collateral Act specifies that financial obligations comprised by a financial collateral agreement may be closed out, without regard to the provisions otherwise applicable upon insolvency (Creditors Security Act section 7-3, 8-1 and the Debt Instrument Act section 26). The close-out netting agreement and securities interest established is intended to secure termination of the portfolio of contracts against payment of net cash value.

Creditors Security Act 7-3 and 8-1, Debt Instrument Act section 26

2.4 The CCP's interest in collateral

The CCP's interest in collateral is ensured through provisions in the Pledge Act, the Financial Collateral Act and the Standard Terms Section 9 and the Financial Collateral Agreement entered into between Oslo Clearing and the Clearing Member and Oslo Clearing and the end clients respectively.

Pledge Act 4-1 (3), Financial Collateral Act, ST section 9

According to the Standard Terms, Clearing Members and end clients must provide collateral to Oslo Clearing either by pledging eligible collateral or by arranging for the issue of a bank guarantee.

ST section 8.3.1

According to provisions in the Financial Collateral Act and the Enforcement Act, enforcement of collateral may, subject to prior agreement between the applicable parties, be enforced without affirmative decision by the courts.

Financial Collateral Act section 7, Enforcement Act section 1-3

2.5 Default procedures

Oslo Clearing is upon default entitled to collect cash collateral as mentioned in section 4-6 of the Pledge Act and to execute a forced sale of stock exchange listed financial instruments as mentioned in section 1-3, second paragraph, of the Enforcement Act.

ST 9.1, cf 9.3

Oslo Clearing is through the Financial Collateral Agreement entitled to foreclose all security objects specified therein, to cover the account holder's financial obligations, including by carrying out close-out termination upon default and arranging such other recovery of security and offsetting as provided for in the Standard Terms.

ST 10.1, cf 10.3

Other measures upon default is set out in the Standard Terms section 9 (end clients) and section 10 (Clearing Members).

ST section 9 and 10

2.6 Finality of transfers of funds and financial instruments.

Finality of transfers of funds and financial instruments is governed by the Payment Systems Act, implementing the Settlement Finality Directive (98/26/EC).

Payment Systems Act Chapter 4

Cash settlements (premium, fee and daily cash settlement for future contracts) are made

through Norges Bank for NOK (Oslo C NOK) and through DnBNOR for SEK (Oslo C SEK). The settlements systems have been approved by Finanstilsynet in accordance with the Payment Systems Act. For settlement in Oslo C NOK the Clearing Member shall furnish and maintain a guarantee issued by a settlement bank for the settlement of premium and other fees related to the derivative trading in Oslo C NOK performed by the Clearing Member. Final settlement is made when Norges Bank has carried out the settlement, normally around 09:30 CET.

Settlement of underlying instruments upon expiry of a derivatives contract is made directly between the relevant Clearing Members (on own behalf or on behalf of end client) in VPO. The VPO settlement system ensures DVP delivery and the settlement system is approved by Finanstilsynet in accordance with the Payment Systems Act. Settlement finality takes place in accordance with the VPO and Norges Bank rules.

Settlement of pool loans and of bilateral loans are done in VPO.

2.7 Other significant aspects of the CCP's operations

The draft Financial Collateral Agreements to be introduced in connection with clearing of trades in Equity Market Instruments contains provisions ensuring that Oslo Clearing may offset claims due to the Clearing Member connected with a close out in relation to clearing of derivatives or Equity Market Instruments against any claims that Oslo Clearing may have against the Clearing Member.

Financial
Collateral
Agreement

Otherwise there are no other significant aspects of Oslo Clearing's operations and risk management procedures, which require specific mention from a legal perspective.

The legal framework provides a high degree of assurance as to the operations of the CCP as described above.

3. *Are the rules, procedures and contracts of the CCP enforceable when a CCP participant defaults or becomes insolvent? Is there a high degree of assurance that actions taken under such rules and procedures may not later be stayed, avoided or reversed?*

Cf. answer to question 2, above.

4. *Is there a significant level of cross-border participation in the CCP? Has the CCP determined whether there are other jurisdictions relevant for determining the adequacy of the legal framework? Has the legal framework been evaluated for the other relevant jurisdictions? Do laws and rules support the design of any cross-border arrangement and provide adequate protection to both CCPs in the operation of the arrangement? Are there conflicts of law issues and, if so, have they been addressed? Have cross-border collateral arrangements been evaluated?*

The CCP activities of Oslo Clearing are governed by Norwegian law. The contracts arising out of Oslo Clearing's assumption of liability in relation to trades in Equity Market Instruments are also subject to Norwegian law.

Reference
Clearing
Membership
Agreement
End Client
agreement
Financial
Collateral Act

The Financial Collateral Act specifies that for financial collateral in form of securities all issues regarding the legal characteristics etc of the collateral shall be regulated by the laws of the country wherein the account in question is held.

Eligible collateral in the form of financial instruments shall be held on a VPS Account whereby Norwegian law will apply. Eligible collateral may also be pledged on a foreign VP Account. A VP Account is an account used for pledging of collateral Financial Instruments that are not registered in VPS.

ST section
8.3.1.1

The Clearing Members of Oslo Clearing are either legal entities registered in Norway, Sweden or Denmark. Deposit banks must be approved by Oslo Clearing, and shall have a minimum A- rating (S&P, or corresponding rating from Moody's or Fitch). End clients are, with very few exceptions, Norwegian private persons or companies. The level of cross-border participation is currently insignificant.

ST Section
2.1.2.2

In order to prevent other conflict of law issues from arising, Oslo Clearing may require applicants for clearing membership to furnish legal opinions.

In addition Oslo Clearing has entered into a clearing cooperation agreement with LCH. In connection with the entering into of the agreement with LCH the parties have performed necessary examinations of the other party's clearing operations relevant for the agreement. Conflict of laws issues are handled in the clearing cooperation agreement between the parties.

The clearing cooperation agreement with Nasdaq OMX has been terminated. No new contracts will be entered into under this agreement, and the parties have agreed as to the orderly handling of derivative contracts enduring beyond the termination date.

Oslo Clearing has performed legal assessments to ensure that Oslo Clearing's interests upon conflict of laws situations are addressed, hereunder with regard to that the interests in collateral and the deployment of such collateral, are adequately protected.

Assessment of observance
Observed

Recommendation 2: Participation requirements

A CCP should require participants to have sufficient financial resources and robust operational capacity to meet obligations arising from participation in the CCP. A CCP should have procedures in place to monitor that participation requirements are met on an ongoing basis. A CCP's participation requirements should be objective, publicly disclosed, and permit fair and open access.

Key questions

1. *Does the CCP establish requirements for participants' financial resources and creditworthiness? If so, how? What factors are considered (for example, size, clearing for indirect participants, products cleared)? Does the CCP assess participants' operational capability? If so, how? What factors are considered (for example, arrangements to meet payment obligations, risk management policies, staffing, internal audit of risk controls and IT systems)?*

Oslo Clearing has established requirements for Clearing Members. The following entities, in accordance with the Standard Terms, section 2.1 can become Clearing Members:

- Investment firms that are authorised to provide investment services as referred to in the STA section 2-1, first paragraph no. 2 and/or 3
- Credit Institutions that are authorised to provide investment services as referred to in the STA section 2-1, first paragraph no. 2 and/or 3
- Co-operating Clearing Houses that have their head office in, and are subject to supervision by the authorities of, Norway or another EEA state
- Other firms, including firms similar to the firms described above, that have their head office in states other than the EEA, subject to specific approval by Oslo Clearing

The clearing membership may take the form of clearing of own-account only or clearing for end clients, cf. Standard Terms section 2.4 and 2.5. An entity can also be a General Clearing Member ("GCM"), where the GCM Accounts are opened in the name of the GCM, cf. Standard Terms section 2.7.

If so the GCM is liable as the contractual counterparty to Oslo Clearing for all clearing transactions that are registered on a GCM Account. There is no contractual relationship between GCM Clients and Oslo Clearing, and Oslo Clearing does not have any liability or responsibility to GCM Clients for settlement, nor does it have any other form of liability towards GCM Clients.

Members approved for own account trading only must also fulfil the general participant requirements, such as capital requirements, qualified personnel and technical installations as specified in the Rulebook. There are currently no participants approved for own account trading only.

A Clearing Member must also be an account operator in VPS (and thus fulfil the requirements set forth by VPS) or arrange for a third party to be an account operator in VPS on their behalf.

Oslo Clearing does further set as a membership requirement that employees taking part in clearing activities have to be authorised by Oslo Clearing. This requirement follows from the Standard Terms section 2.2.1.9 and the authorisation process is carried out in co-operation with the Norwegian Securities Dealers Association ("NSDA").

2. *Does the CCP monitor that participation requirements are met on an ongoing basis? If so, how? Through access to regulatory reports or directly? Are reports sufficiently timely to be useful for monitoring purposes? Under what conditions can the CCP suspend and terminate participants' membership? What arrangements does the system have in place to facilitate the suspension and orderly exit of participants that no longer meet the participation requirements?*

The participation requirements are monitored through the regular reporting of capital adequacy reports and financial results. In addition, according to the STA, all members are obliged to file any breach of the capital coverage requirement with Finanstilsynet and according to the Standard Terms notify Oslo Clearing immediately of any such filings.

Oslo Clearing may suspend, exclude or declare default and terminate participants' membership in the event of any breach of rules and regulations of which the Clearing Member is subject to adhere. In the event of default by a Clearing Member, the member's own positions will be closed down and positions related to its end clients will be transferred to a non-defaulting member. The condition for suspension, exclusion or default procedures are clearly stated in the Standard Terms section 9 and 10.

The clearing system, SECUR, has functionality that enables Oslo Clearing to suspend, exclude, "act on behalf" of members and close out or transfer clients or positions and secure an orderly termination of a participant.

3. *Do participation requirements limit access on grounds other than risks? Are they objective and do they permit fair and open access? Are participation requirements, including arrangements for orderly exit of participants, clearly stated and publicly disclosed?*

For applicants fulfilling the minimum requirements to participate in the CCP, participation is not denied on other grounds than risk. The requirements are objective and permit fair and open access. All participation requirements and arrangements for orderly termination of participants are set out in the Standard Terms.

Assessment of observance

Observed

Recommendation 3: Measurement and management of credit exposures

A CCP should measure its credit exposures to its participants at least once a day. Through margin requirements, other risk control mechanisms or a combination of both, a CCP should limit its exposures to potential losses from defaults by its participants in normal market conditions so that the operations of the CCP would not be disrupted and non-defaulting participants would not be exposed to losses that they cannot anticipate or control.

Key questions

1. *How frequently does the CCP measure its exposures to its participants? Does the CCP have the capacity to measure exposures intraday? How timely is the information on prices and positions that is used in these calculations?*

Exposure and margin calculations are conducted, settled and reported to members on a daily basis. The margin requirements on individual accounts and in aggregate for a Clearing Member is recalculated every hour intraday for internal use. Such calculations can also be conducted ad-hoc at any time necessary intraday. All intraday margin calculations are based on real time positions and prices.

2. *How does the CCP limit its exposures to potential losses from defaults by its participants? If margin requirements are used, does the CCP observe Recommendation 4? If not, how does the CCP ensure that closing out any participant's positions in normal market conditions would not disrupt the operations of the CCP or expose non-defaulting participants to losses that they cannot anticipate or control?*

Oslo Clearing uses margin requirements to control exposures on its participants, and has the possibility to issue intra-day requirements if deemed necessary. Oslo Clearing observes Recommendation 4. Margin calculation and collection of collateral is done on a daily basis and includes derivatives positions as well as collateral in the form of equity market instruments.

Clearing Members are jointly and severally liable towards Oslo Clearing for their end clients. Collateral and positions from members and end clients (unless the end clients relates to a member being a GCM) are pledged to Oslo Clearing (cf Standard Terms – End-client Agreement). Members domiciling in the EEA will be subject to supervision by the local regulatory authority.

Assessment of observance

Observed

Recommendation 4: Margin requirements

If a CCP relies on margin requirements to limit its credit exposures to participants, those requirements should be sufficient to cover potential exposures in normal market conditions. The models and parameters used in setting margin requirements should be risk-based and reviewed regularly.

Key questions

1. *What is the intended coverage of margin requirements? What is the time interval over which potential price movements are measured? Is the interval consistent with a reasonable assumption about how quickly a defaulting participant's positions could be closed out? How does the CCP validate the models and parameters used to determine the margin levels consistent with the intended coverage? How frequently does it review and validate the models?*

Margin requirements are based on price changes over a given closing period for each underlying product within a confidence level of 99,8 pct. Oslo Clearing establishes scanning ranges (equivalent to margin rates) based on observed volatility for the underlying financial instruments in the cleared markets, using closing periods from 2 to 10 days. The closing period is determined by the liquidity of the relevant underlying instrument and, to a certain degree, the applicable concentration risks

The models and parameters used are validated by the use of back-testing. Margin breaches are monitored and reported real time to Risk Management. Scanning ranges are subject to a reassessment on a breach. The review and validation of the models is a continuous process.

2. *Does the CCP have the authority and operational capacity to demand margin intraday to maintain the desired coverage? Under what circumstances?*

Oslo Clearing has the authority and operational capacity to calculate and to demand margin intraday as and when this is deemed necessary. Oslo Clearing can decide to collect extraordinary margin according to the provisions in the Standard Terms, section 8.4. In general, additional intraday margins are collected when there are significant market movements, and upfront margins are collected on large new positions in order to reduce Oslo Clearing's overnight risk.

3. *What types of assets does the CCP accept as margin? What types are actually held? How frequently are the assets revalued? Are haircuts applied that adequately reflect the potential for declines in asset values between the last revaluation and liquidation?*

Oslo Clearing accepts cash, guarantees from approved credit institutions, interest rate instruments, in accordance with criterias published by Oslo Clearing, and Norwegian and Swedish equity market instruments. All margin calculations and posting of collateral are done on individual account level. Securities used as collateral are re-evaluated on a daily basis. Prudent haircuts are used to reflect the market risk in the relevant securities, within a confidence interval of 99,8 pct., taking into consideration volatility and liquidity. The open positions, collateral and the cash accounts are all pledged in favour of Oslo Clearing.

Assessment of observance

Observed

Recommendation 5: Financial resources

A CCP should maintain sufficient financial resources to withstand, at a minimum, a default by the participant to which it has the largest exposure in extreme but plausible market conditions.

Key questions

1. *Has the CCP established procedures to stress test its exposures in extreme but plausible market conditions? What scenarios are evaluated? Do the scenarios include the most volatile periods that have been experienced by the markets for which the CCP provides services? Does the CCP have sufficient resources in the event of default by the participant with the largest exposure? Has the potential for multiple simultaneous defaults been evaluated? Are stress tests performed at least monthly, with a comprehensive reconsideration of models, parameters and scenarios occurring at least annually? Does the CCP have a clear policy on actions to be taken in the event that stress testing results indicate resources are not likely to be adequate to meet its obligations resulting from a default? Has it adhered to that policy? Is the policy made available to participants and authorities?*

Oslo Clearing has implemented Riva Capital at Risk (RCaR); a separate module in SECUR™, that performs stress testing on Oslo Clearing's exposure on a daily basis. The stress test methodology of Oslo Clearing is based on classifying all underlying equity market instruments, indices and interest rate instruments in eight (8) different market segments, and altering prices in three (3) directions (up, down and unchanged) according to specific rules for how market segments interact. The result is 123 different, but plausible market scenarios. In addition the worst outcome volatility scenario is used in every scenario.

The 123 scenarios do not include inconsistent combinations of price movements per segment. Price movements per segment are derived from the current scanning ranges per underlying market instrument, and scaled with a factor in order to test outcomes with at least 4 standard deviations. The

stress test methodology, although scenario based, has been designed so as to include the most volatile periods that have been experienced, along with increasing market volatility.

The dynamics of the stress test methodology implies that the regular factor adjustments on the margin rates affect the levels for stress-testing.

The capital requirement is based on the scenario; default by an end-customer and its member, to which Oslo Clearing has the greatest aggregate exposure in the worst case scenario. Other scenarios such as simultaneous multiple defaults by more than one account and more than one participant are also evaluated.

Stress test results are evaluated by Risk Management on daily basis. A summary of the stress test exposure is provided to the board of directors monthly. RCaR conducts a number of calculations producing a large quantity of data on series, position, accounts and member level. All data is stored in a data warehouse and can be accessed by Risk Management in order to analyse Oslo Clearing's exposure and residual risk.

Risk Management monitors stress test results and are required to inform the CEO of Oslo Clearing if the daily stress test value exceeds 70 pct. of the own funds of Oslo Clearing. Further, the board of directors must be informed when the daily stress test values exceed 80 pct. of the own funds, in accordance with the Risk Policy of Oslo Clearing.

The Risk Policy of Oslo Clearing is an internal document approved by the Board of Directors and is not publicly available.

Oslo Clearing is constricted by the STA section 13-2 (1) to have regulatory capital (own funds) that is appropriate to the operations conducted. The board of directors and the management of Oslo Clearing have a constant attention to the regulatory capital of the company.

2. *What are the types and values of resources that the CCP has available to cover losses from participants' defaults? Is there a high degree of assurance that the CCP will be able to draw on those resources for the anticipated value in the event of a participant's default? Do the CCP's rules prohibit them from being used to cover operating losses or losses from other CCP activities?*

The own funds of Oslo Clearing are approximately NOK 130 mill. by the end of 2009.

Oslo Clearing will offer two separate clearing services, for equities and derivatives clearing respectively. The equity clearing service is expected to be operative as of 30 April 2010.

Default procedures will be separate, hence the use of resources or other mechanisms will be applied separately for each clearing service, until the own funds of Oslo Clearing, less the contribution of NOK 30 mill. for equity clearing², are the only remaining resources to absorb any uncovered loss.

Resources will be used according to a given order, however the order and hence default procedures will differ between the equity and the derivatives clearing. This question answered first considering a default of a member clearing equities only. Secondly the order and procedures are described for the derivatives clearing. Finally, the combination of a default in both the equity and clearing service is described.

Figure 1: Order of Resources and Mechanisms available to Oslo Clearing

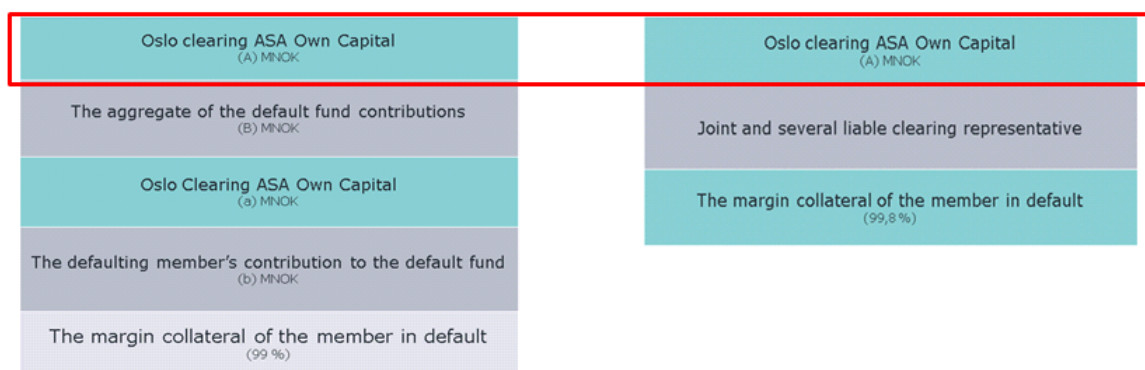
²cf. Appendix 3 of the Clearing Rules for the Equity CCP, and the service description for the Equity CCP.

The Equity Clearing Model

- Margin Collateral pledged by Clearing Member
- Defense lines consist of Clearing Fund and Own Capital
 - defaulting member's contribution to be exhausted before any other resource is used
 - Oslo Clearing contributes with an amount up to NOK 30 mill. before using remaining Clearing Fund
- Last line of Defense is Own Capital of Oslo Clearing

The Derivatives Clearing Model

- Margin collateral pledged by End-Client
- Mutual responsibility of Clearing Member and End-Client
- Unconditional right for Oslo Clearing to appoint new clearing representative for End-Clients
- Last line of Defense line is Own Capital of Oslo Clearing



1) default in the equities clearing

Oslo Clearing will in a material default of a Clearing Member that participates in equity clearing only, proceed to a "close-out" of its clearing transactions and start realising the margin collateral of this member, this also includes the Clearing Fund contribution of the defaulting member. Before applying the Clearing Fund to cover any remaining loss, Oslo Clearing will contribute with up to NOK 30 million. Upon having exhausted the Clearing Fund, the remaining own funds of Oslo Clearing will be applied to cover any remaining loss, cf. figure 1, above.

A loss suffered by a member clearing equities only will be covered in the following sequence, by:

- liquidation of margin collateral deposited by the Clearing Member;
- liquidation of the defaulting Clearing Member's portion of the Clearing Fund;
- Oslo Clearing's equity, however, limited to NOK 30 million for Events of Default occurring on the same Clearing Day, however, limited to NOK 60 million in total for all Events of Default within a 30 days' period;
- proportionate liquidation of the remaining Clearing Member's portion of the Clearing Fund, based on the size of each Clearing Member's Clearing Fund Contribution relative to the Clearing Fund as a whole, not including the defaulting Clearing Member, at the time of the Default occurred.

2) default in the derivatives clearing

Oslo Clearing will upon material default of a Clearing Member that participates in derivatives clearing only, initiate a transfer of the end-clients to another Clearing Member, and proceed to a "close-out" of its clearing transactions and start liquidating the margin collateral of the defaulting member. The defaulting member's contribution to the Clearing Fund (for equities clearing) can also be applied, cf. paragraph 3, below. The Clearing Member is jointly and severally liable for any loss caused by its end-client(s).

The order of priority in the derivatives clearing is given by:

- (a) margin collateral posted by the individual investor and Clearing Member
- (b) the participant's joint and several liable Clearing Member's equity capital and
- (c) Oslo Clearing's equity capital

End-clients are margined individually, and are individually required to collateralise their margin, implying that Oslo Clearing disposes of a large margin base

The own funds of Oslo Clearing will only come to use when all loss reducing mechanisms described above have been exhausted.

3) the joint default in the equities and derivatives clearing

Oslo Clearing will have Clearing Members that participate in both clearing services, i.e. equity and derivatives clearing. In the event of a material default, Oslo Clearing will ensure that the default procedures and the orderly use of the available resources in each service is conducted in parallel and independently of each other, until the own funds of Oslo Clearing is the only remaining resource. The own funds of Oslo Clearing, less the amount already used to cover losses in the equities clearing, will be used to absorb any remaining loss on this Clearing Member, irrespective of which clearing service the loss is attributable to.

Any surplus from the liquidation in one service will be applied to cover losses in the other service. Oslo Clearing has the right to realise any available collateral belonging to the defaulting member, including its contribution to the default fund.

Oslo Clearing is refrained from using non-defaulting Clearing Member's contribution to the Clearing Fund to cover losses from a defaulting member, if the loss is attributable to derivatives clearing.

Oslo Clearing is a public limited company, and in accordance with the PLCA, there are no limitations in using its own funds to cover operating losses, however, such that Oslo Clearing at all times is subject to the minimum requirements as to capital set out in the PLCA and the STA.

3. *Are any of the resources that the CCP is relying upon to cover losses from defaults not immediately available to meet the CCP's obligations? If so, has the CCP obtained committed credit lines subject only to presentment that allows it to borrow against those assets? If so, can those lines be drawn upon sufficiently quickly to ensure that the CCP can meet its obligations when due?*

Resources in the form of margin collateral deposited in cash or securities collateral accounts pledged to Oslo Clearing. Oslo Clearing may upon material default initiate immediate liquidation of the collateral, cf. the FCA.

The own funds of Oslo Clearing exist in the form of cash and is deposited on cash accounts in two different credit institutions. This is in accordance with Oslo Clearing's Risk Policy, which requires that the funds are placed in at least two different credit institutions with A rating (Standard and Poor's (S&P), or equivalent from Moody's or Fitch) or higher. The two chosen institutions are rated AA- and A+ by S&P.

The financial resources are readily available for Oslo Clearing.

Assessment of observance

Observed

Recommendation 6: Default procedures

A CCP's default procedures should be clearly stated, and they should ensure that the CCP can take timely action to contain losses and liquidity pressures and to continue meeting its obligations. Key aspects of the default procedures should be publicly available.

Key questions

1. *Do the CCP's default procedures state clearly what constitutes a default? If a default occurs, do the CCP's default procedures provide it with authority to promptly close out or manage the positions of a defaulting participant and to apply the defaulting participant's collateral or other resources? Do the CCP's procedures, or mechanisms other than those of the CCP, permit the transfer or (as an alternative) liquidation of the positions and margin of customers of the defaulting participant? Do the procedures empower the CCP to draw promptly on any financial resources?*

The Standard Terms clearly state what constitutes a default on both member and end client level and what procedures Oslo Clearing may or shall follow if a default situation occurs.

The joint and several liability between the Clearing Member and the end client is an important mechanism in Oslo Clearing's line of defence. An end client default is therefore mainly dealt with by the end client's clearing representative. Any failure of the clearing representative to deal with such incident will result in a default by the Clearing Member (acting as a clearing representative) itself.

The default procedures, as laid out by the Standard Terms, provide Oslo Clearing with authority to promptly manage or close out the positions of the defaulting participant. There are no limitations for applying any resources posted as collateral. Oslo Clearing may also address any loss excess of the margin collateral posted, directly to the end client and/or the clearing representative being in default. Further, as described in Recommendation 5, any surplus from the liquidation from the defaulting member in the equity clearing will be applied to cover any uncovered loss in the derivatives clearing.

Oslo Clearing has the right, in accordance with the Standard Terms section 10.5 to transfer end client positions under the defaulting Clearing Member (which is not a GCM) to another Clearing Member. All collateral is posted on individual deposit accounts, in each investor's name, with senior security interest and right of disposal in favour of Oslo Clearing. This empowers Oslo Clearing to draw promptly on any financial resources.

2. *Does the legal framework provide a high degree of assurance that the decisions to liquidate or transfer a position, to apply margin or to draw down liquidity resources in the event of the insolvency of a participant would not be stayed or reversed? Does national insolvency law permit identification and separate treatment of customer and proprietary assets?*

The legal framework provides a high degree of assurance that the decisions to liquidate or transfer a position, to apply margin or to draw down liquidity resources in the event of the insolvency of a participant will not be stayed or reversed as described in recommendation 1, key question 2. National insolvency law permit identification and separate treatment of customer and proprietary assets on segregated accounts. Clearing at end client level and on segregated accounts for both positions and collateral ensure separate treatment of customer and proprietary positions and assets.

3. *Does the CCP's management have internal plans for implementing its default procedures? Does the plan maintain a measure of flexibility for the CCP in deciding how best to implement its default procedures? Does the plan address the need for coordination in cases where more than one CCP, authority or a separate market operator is involved? How frequently is the plan reviewed?*

Default procedures are integrated in Oslo Clearing's risk policy with emergency and notification plans. The policy defines responsibilities and guidelines for different functionalities such as declaration of default, liquidation of positions, coordination with third parties, informing of other participants etc. Coordination with third parties is agreed upon in binding agreements. The policy is a general outline

for handling different types of critical situations and maintains flexibility for the CCP in deciding how to best implement default procedures. The policy is reviewed on a yearly basis.

4. *Are the key aspects of the default procedures (specified in paragraph 4.6.9) publicly available?*

The key aspects of the default procedures are provided by sections 9 and 10 in the Standard Terms. The Standard Terms are publicly available.

Assessment of observance

Observed

Recommendation 7: Custody and investment risks

A CCP should hold assets in a manner whereby risk of loss or of delay in its access to them is minimised. Assets invested by a CCP should be held in instruments with minimal credit, market and liquidity risks.

Key questions

1. *At what types of entities is collateral held? Does the CCP verify that these entities' procedures and practices conform to Recommendation 12 of the RSSS? If so, how? Does the CCP confirm that its interest in the securities can be enforced and that it can have prompt access to the securities in the event of a participant's default, even if these securities are held in another time zone or jurisdiction? Does it monitor the financial condition of its custodians on an ongoing basis?*

Oslo Clearing accepts collateral in the form of cash deposits, equity instruments and interest rate instruments and guarantees. The collateral model is governed by the provisions of the Mortgage Act of 8 February 1980 No. 2 and the Act on financial collateral of 26 March 2004 No. 17, which implements the Directive 2002/47/EC on Financial Collateral Arrangements.

Cash collateral is held on individual cash collateral accounts pledged to Oslo Clearing. The account must be held within custody of a credit institution approved by Oslo Clearing. The list of approved credit institutions is available on the website of Oslo Clearing. All approved credit institutions are subject to supervision by their local financial supervisory authority.

Guarantees used to cover margin requirements can only be issued by approved credit institutions with A- rating (S&P, or a corresponding rating from Moody's or Fitch) or higher. The creditworthiness of the guarantor and the guarantee are subject to approval by Risk Management and Legal Counsel of Oslo Clearing.

Collateral in the form of securities is held on individual accounts registered in the name of the Clearing Member or end client within the local CSD. The accounts are registered with first priority pledge in favour of Oslo Clearing.

Norwegian securities are held within the local CSD - VPS. VPS is authorised to act as a registry of securities and privileges in accordance with the Central Securities Depository Act of 5 July 2002 No 64. VPS conforms to the relevant CPSS-IOSCO Recommendations. Swedish securities held as collateral are held on custody accounts with SEB in Sweden. These securities are also pledged directly towards Oslo Clearing. Time zone differences are not applicable.

2. *How is cash invested? Are investments secured? What standard does the CCP use to ensure that obligors are highly creditworthy? What standard does the CCP use to ensure that investments have minimal market and liquidity risks?*

The collateral model of Oslo Clearing is based on pledge and not transfer of title. Cash pledged as collateral by the Clearing Members and end clients is held on accounts in their own name (own

accounts), with credit institutions approved by Oslo Clearing. Collateral in the form of securities are held on individual accounts registered in the name of the Clearing Member or end client with first priority pledge in favour of Oslo Clearing (please see key question 1 above).

The own funds of Oslo Clearing shall be highly liquid, and in accordance with the risk policy of Oslo Clearing, the own funds shall be invested in short term government bonds, alternatively held with at least two credit institutions with an A rating (S&P, or a corresponding rating from Moody's or Fitch) or higher.

3. *Does the CCP consider its overall exposure to an obligor in choosing investments? Are investments limited to avoid concentration of credit risk exposures? If so, how?*

Credit institutions approved for holding member's collateral are monitored by Oslo Clearing. This also apply for those institutions holding the own funds of Oslo Clearing.

The securities depositories approved to hold equities and interest rate instruments as collateral are monitored against the CPSS-IOSCO or ESCB-CESR Self-Assessment.

Oslo Clearing considers its overall exposure towards any single bank including its own credit exposure. In this monitoring process all cash exposures are taken into account, both those held by the customers pledged towards Oslo Clearing and Oslo Clearing's own funds. Bank exposure is continuously monitored, reviewed and reported internally.

Oslo Clearing initiate risk-mitigation actions when concentrations are deemed to be unsustainable.

Assessment of observance

Observed

Recommendation 8: Operational risk

A CCP should identify sources of operational risk and minimise them through the development of appropriate systems, controls and procedures. Systems should be reliable and secure, and have adequate, scalable capacity. Business continuity plans should allow for timely recovery of operations and fulfilment of a CCP's obligations.

Key questions

1. *Does the CCP have a process for actively identifying, analysing and addressing its operational risk, including risks arising from its outsourced operations and its other activities?*
2. *Does the CCP have a business continuity plan that addresses events posing a significant risk of disrupting operations? Do plans ensure that critical information can be recovered in a timely manner? Do plans provide, at a minimum, for the recovery of all transactions at the time of the disruption to allow systems to continue to operate with certainty? Is the business continuity plan regularly reviewed and tested with participants? Have appropriate adjustments to operations been made based on the results of such exercises?*

The Regulations on risk and internal control of 22 September 2008 No 1080 imposes duties as to the establishment and implementation of routines and procedures for identifying, monitoring, controlling and handling operational risks. Oslo Clearing is subject to the provisions imposed by the regulation as well as supervision by Finanstilsynet.

The board of directors provides guidelines for the internal control, while the CEO shall ensure that the control is properly documented, carried out and monitored in an efficient way according to the internal control regulation. An overall risk assessment is carried out at least once a year.

The risk assessment is a structured analysis of operational risks inherent to the different processes in Oslo Clearing, including processes to evaluate new business activities. The risk analysis shall identify

the different aspects of risk that the clearing house is exposed to, as well as the different sources of these risks. This does both cover own and outsourced activities.

Under the daily operations, any incident that exposes Oslo Clearing to any risk will be logged in a database, with a description of the incident, the cause, and an assessment of its severity and the potential (worst case) effects of the incident. Oslo Clearing monitors and continuously follow up the logged incidents, and implements, if necessary measures to prevent similar incidents from occurring again.

The activities of Oslo Clearing are also regulated by the "Regulations on the use of information and communication technology" (ICT). The ICT lays down regulations on continuity requirements, disaster recovery plans, outsourcing etc. The internal auditor has assessed Oslo Clearing's compliance with the ICT and deemed it to be compliant. Oslo Clearing has a business continuity plan that ensures that critical information is recovered in a timely manner. The plan ensures that critical information and systems can be recovered within a very short timeframe. The business continuity plan is tested at least on a yearly basis and appropriate changes to operational routines are made if weaknesses are found. Testing of the business continuity plan is performed without the involvement of participants since their involvement in solving problems would be very limited. However, distribution of relevant information to participants is of high importance.

SECUR™, provided by OMX Technology, is the clearing system used for derivatives clearing. All transactions in SECUR™ are duplicated on a secondary server using a secure network and an underlying Reliable Transaction Router. In case of a system failure the secondary server ensures that the clearing system will be up and running in a timely manner. Transactions are also checked for validity, syntax and consistency before entering the network. All transactions from unauthorised devices are intercepted and every transaction is authenticated for added security. Also, all events in SECUR™ are given sequence numbers that are logged in the central system and can be traced by OMX Technical Support.

3. *Are there adequate management controls and sufficient (and sufficiently well qualified) personnel to ensure that procedures are implemented appropriately? Are operational reliability issues reviewed regularly by senior management, including review by persons not responsible for the relevant operations? Is there an internal audit function and does it review operational risk controls?*

Oslo Clearing has a risk committee responsible for assessing the organisation's compliance with internal control regulations on an ongoing basis. The risk committee consists of senior non executive personnel, well qualified for assessing the risks and mitigations for risks inherent in Oslo Clearing's business activities. The risk Committee reports directly to the CEO.

The management of Oslo Clearing shall ensure that procedures are implemented and reviewed appropriately.

An internal auditor, auditing all companies within Oslo Børs VPS Holding ASA, has formally been appointed by the board of directors of Oslo Clearing with the responsibility to conduct reviews of i.a. operational risk controls of Oslo Clearing.

4. *How many times during the last year has a key system failed? What is the most common cause of failures? How long did it take to resume processing? How much transaction data, if any, were lost? How does the CCP ensure the integrity of messages? Does the CCP have capacity plans for key systems and are key systems tested periodically to determine if they can handle stress volume?*

Oslo Clearing operations are staffed from 07:30 to 22:00. In conjunction with the 24/7 system monitoring by OMX Technology system failures are uncovered before participants are affected. Critical issues can be escalated within OMX Technology in two steps, 1) Second Line Support and, 2) Development.

Messages are sent within the SECUR™ clearing system and all messages are logged and can be traced on the back-end machine. Network security and connectivity to OMX Technology is very high and full redundancy is in place.

System capacity is tested continuously by OMX Technology. The capacity is determined by a load profile set in Oslo Clearing's Service License Agreement (SLA) with OMX Technology and is evaluated several times a year.

Assessment of observance

Observed

Recommendation 9: Money settlements

A CCP should employ money settlement arrangements that eliminate or strictly limit its settlement bank risks, that is, its credit and liquidity risks from the use of banks to effect money settlements with its participants. Funds transfers to a CCP should be final when effected.

Key questions

1. *Does the CCP use the central bank model or the private settlement bank model?*

Oslo Clearing uses both central bank and private bank settlement models.

2. *Do the CCP's legal agreements with its settlement bank or banks provide that funds transfers to its accounts are final when effected? Do the laws of the relevant jurisdictions support these provisions? Do the payment systems for the currencies used support intraday finality? Does the CCP routinely confirm that funds transfers have been effected as and when required by those agreements?*

Oslo Clearing uses the Norwegian Central Bank settlement system for cash settlement of premium, fee and daily cash settlement (for future contracts). The payment system is known as "Oslo C NOK". Settlement in SEK is executed through DnBNOR. This system is known as "Oslo C SEK". Both settlement systems have approval from Finanstilsynet in accordance with section 4, of the act on payment systems, which implements the provisions of Directive 98/26/EC on Settlement Finality in Payment and Securities Settlement Systems. Oslo C NOK and Oslo C SEK are as stated approved by and supervised by Finanstilsynet.

Settlements in DKK and EUR are executed through Danske Bank (Fokus Bank) i.e. a private bank settlement, however settlements through the systems of Danske Bank are insignificant.

The deposit bank systems support intraday finality, as the cash settlement for all deposit accounts in the settlement system is conducted simultaneously once a day with the effects described above.

Oslo Clearing does not routinely confirm that funds transfers are effected as and when required by the settlement bank agreements, leaving it to the account holder to verify payments through their deposit bank.

3. *If the private settlement bank model is used, does the CCP establish and monitor strict criteria for the banks used that address their creditworthiness, access to liquidity, and operational reliability?*

Oslo Clearing monitors the settlement bank in SEK (DnBNOR), DKK and EUR (the two latter in Danske Bank) on a continuous basis. All Clearing Members are required to keep a settlement account with a settlement bank specified by Oslo Clearing. Oslo Clearing evaluates the settlement bank's operational reliability, creditworthiness and access to liquidity.

4. *If the private settlement bank model is used, does the CCP actively monitor the concentration of exposures among the settlement banks, and routinely assess its potential losses and liquidity pressures from a settlement bank's failure?*

Please see key question 3 above. Oslo Clearing's Risk Management continuously monitors the concentration of exposures with its settlement banks.

Assessment of observance

Observed

Recommendation 10: Physical deliveries

A CCP should clearly state its obligations with respect to physical deliveries. The risks from these obligations should be identified and managed.

Key questions

1. *Does the CCP have rules that clearly state its obligations with respect to deliveries of physical instruments?*

Physical delivery is carried out in the equity market. Delivery of underlying is part of the product specification, which is an integrated part of the Standard Terms. Oslo Clearing requires delivery margin for the physical deliveries in accordance with normal settlement procedures for the given underlying market, cf. Standard Terms, appendix 2.1. All Clearing Members agree to follow these rules by signing the Clearing Member agreement.

2. *Does the CCP have obligations to make or receive deliveries of physical instruments? If yes, does the CCP use DVP mechanisms that eliminate principal risk? If no DVP mechanism is available, does the CCP take other steps to mitigate principal risk?*

Oslo Clearing's standard procedure upon deliveries of physical instruments, is that the Clearing Members perform and settle the physical deliveries of financial instruments related to a derivatives contract between themselves (on own behalf or on behalf of end customers) in VPO. The VPO settlement system ensures DVP delivery. Margin is collected and kept until settlement takes place.

Oslo Clearing instructs its participants, but does not, as stated, take part in the deliveries in VPO. It is only in the situation where a member fails to deliver due to a default situation that Oslo Clearing takes part in the delivery. In such case Oslo Clearing will enter into the settlement and fulfil the transaction on behalf of the defaulting member. The incurred loss will be discharged against liquidation of pledged margin collateral.

For physical deliveries of contracts with underlying in Swedish securities delivery takes place through Euroclear Sweden. In these cases Oslo Clearing acts as central counterparty between its Clearing Members and NasdaqOMX. These settlements are administrated by a custodian chosen by Oslo Clearing and all deliveries are DvP.

For physical deliveries of contracts with underlying in Danish securities delivery takes place through the VP Securities A/S. In these cases Oslo Clearing acts as central counterparty between its Clearing Members and NasdaqOMX. These settlements are administrated by a custodian chosen by Oslo Clearing and all deliveries are DvP.

For physical deliveries of contracts with underlying in Finnish securities delivery takes place through Euroclear Finland. In these cases Oslo Clearing acts as central counterparty between its Clearing Members and NasdaqOMX. These settlements are administrated by a custodian chosen by Oslo Clearing and all deliveries are DvP.

Oslo Clearing may, in accordance with the Standard Terms buy or borrow securities on behalf of members in order to avoid late deliveries between the members.

3. *Has the CCP identified the liquidity, storage and delivery (other than principal) risks to which it is exposed because of the delivery obligations that it assumes? Does the CCP take steps to mitigate these risks? What steps does it take?*

Oslo Clearing collects and keeps delivery margin until settlement has taken place. This margin is calculated so as to cover the expected closing period upon default, i.e. the period required for Oslo Clearing to buy the shares in the market.

Please also refer to the answer to key questions 1 and 2 above.

Assessment of observance

Observed

Recommendation 11: Risks in links between CCPs

CCPs that establish links either cross-border or domestically to clear trades should evaluate the potential sources of risks that can arise, and ensure that the risks are managed prudently on an ongoing basis. There should be a framework for cooperation and coordination between the relevant regulators and overseers.

Key questions

1. *What kinds of link are in operation? Has the CCP carried out a risk analysis of the potential sources of risks arising from the link? Are the resultant risk management arrangements designed to minimise or contain these risks such that the CCP remains able to observe the other recommendations contained in this report?*

Oslo Clearing has an interoperable link on derivatives with LCH operative as of the 7 December 2009. The interoperable link implies that participants on Oslo Børs have access to products traded on EDX (Market place for derivatives belonging to the London Stock Exchange - LSE) through a common orderbook. Participants will be able to clear their positions with either Oslo Clearing or LCH.

The link established in 1997 with Stockholmsbörsen, presently NasdaqOMX, was terminated at the same time. However, some cross-border positions will be left to expiry on the balance account with NasdaqOMX. Any remaining derivative exposure towards NasdaqOMX will be closed during the first half of 2010.

The link arrangement was subject to a formal risk analysis, and required a formal approval. Oslo Clearing's risk management is responsible for the continuous monitoring of the creditworthiness of LCH as legal counterparty to trades concluded in the link. There are specific operational procedures designed and in place to help mitigating the risks associated with Oslo Clearing's linked activities.

The risk analysis includes an evaluation of the potential sources of risk that arise from the link, for example margining methodology and model, guarantees and minimum rating requirements for guarantors, eligible collateral, requirements of shareholder equity, default management and notification procedures

2. *Which laws and contractual rules govern the link? What steps have the CCPs taken to satisfy themselves that these laws and rules support the design of the link and provide adequate protection to both CCPs in the operation of the link?*

The clearing link arrangement between Oslo Clearing and LCH is governed by an Agreement on Clearing Cooperation. The arrangement is governed by English Law and any dispute or conflict is to be resolved in accordance with the UK Arbitration Act 1996.

To handle differences in the respective rules and regulations of each clearing organisation the co-operating clearing houses have agreed on the principle that it is the rules and regulations of the

primary market, i.e. the market in which the contract has its primary listing, that should be adopted as far as possible. The primary market's contract specifications, including trading hours, trading and currency take precedence.

Before entering into the link agreement in 2009, both Oslo Clearing and LCH carried out an operational, financial and legal examination of the other party.

Oslo Clearing and LCH have implemented specific margin arrangements to cover inter-clearing house exposures.

3. *What are the potential sources of operational, credit and liquidity risks arising from the link? Are effective mechanisms in place, including arrangements between the linked CCPs, to monitor and manage the risks identified?*

Operational risk is associated with the operational procedures between Oslo Clearing and LCH. The distribution of responsibilities and tasks in the respective clearing system is defined in operational agreements. It has also been established formal procedures for handling incidents or errors, such as imbalances in cross border settlements, on a daily basis. According to the procedures, any incidents involving the two clearinghouses will be investigated and resolved jointly by them.

Oslo Clearing and LCH recognise each other as clearing houses and thus assume risk as part of the business conducted in accordance with the principles laid down in the EACH Inter-CCP Risk Management Standards. Credit risk between the clearing houses is assumed to be low, due to the level of the collateralisation of Clearing Member risk.

Oslo Clearing and LCH have established a collateral arrangement where the clearing houses post collateral towards each other based on the exposure on a balance account, which holds aggregate positions of all cross border transactions.

The liquidity risk is connected to the situation where LCH does not pay the daily option premiums and mark to market settlements in time. The daily settlements between the clearing houses are monitored daily, and settlements are in general paid promptly.

4. *For the purposes of regulation and oversight of the link, is there a framework for cooperation and coordination between the relevant regulatory and oversight authorities, including provisions on information sharing and the division of responsibilities in the event of any need for coordinated regulatory action?*

The framework for inter-CCP co-operation and risk management is under development, however, the Code of Conduct and the EACH Inter-CCP Risk Management Standards provide a framework for establishing links. This framework is constricted to equity clearing and does not apply for links between CCP's clearing derivatives.

ESCB-CESR have issued recommendations for link arrangements. Oslo Clearing will evaluate the link arrangement for derivatives in accordance with the ESCB-CESR recommendations during 2010.

Assessment of observance
Observed

Recommendation 12: Efficiency

While maintaining safe and secure operations, CCPs should be cost-effective in meeting the requirements of participants.

Key questions

1. *Does the CCP have in place procedures to control costs (for example, by benchmarking its costs and charges against other CCPs that provide a similar service and by analysing the reasons for significant differences)? Does the CCP have in place procedures to regularly review its pricing levels against its costs of operation?*

Oslo Clearing is a public limited company, and as such required to ensure that the shareholders are given a reasonable return on their investments. The clearing takes place in a competitive market and the cost of clearing is compared with those of competitors.

The price level is reviewed on a regular basis.

2. *Does the CCP regularly review its service levels (for example, by surveying its participants)? Does the CCP have in place procedures to regularly review operational reliability, including its capacity levels against projected demand?*

Oslo Clearing regularly reviews both its service levels and operational reliability and adjusts the service offer based on customer demands. Oslo Clearing has developed its clearing service taking the market into consideration. Oslo Clearing will offer a service considered as best market practices in a number of areas.

Operational reliability and capacity is measured and reported on a monthly basis as a part of our Facility Management Service agreement with OMX Technology.

Assessment of observance

Observed

Recommendation 13: Governance

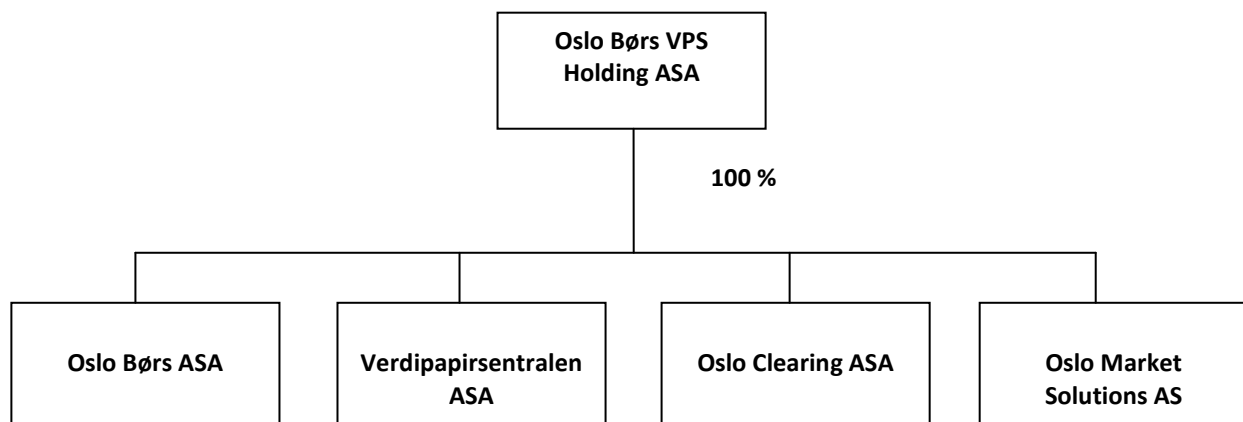
Governance arrangements for a CCP should be clear and transparent to fulfil public interest requirements and to support the objectives of owners and participants. In particular, they should promote the effectiveness of a CCP's risk management procedures.

Key questions

1. *What are the governance arrangements for the CCP? What information is publicly available (e. g. on the internet, without restrictions) about the CCP, its ownership and its board and management structure?*

Oslo Clearing is owned 100 pct. by Oslo Børs VPS Holding ASA ("OBVPS"). OBVPS is a Norwegian public limited liability company with a broad ownership structure ensuring a neutral and independent fulfilment of its responsibilities. A list of the 20 largest shareholders is attached to this document as Appendix 2.

Figure 2: Legal structure Oslo Børs VPS Holding Group



An acquisition of a qualifying holding of Oslo Clearing requires that the acquirer sends prior notification to Finanstilsynet, cf STA section 13-1 and 9-10.

Oslo Clearing is licensed as a clearing house for financial derivatives, and is subject to supervision by Finanstilsynet. Oslo Clearing sent an application to the Ministry of Finance to extend the license to clearing of equity market instruments. The application is currently being processed.

The board of directors of Oslo Clearing consists of the following members:

- Bente A. Landsnes, Chair, (Oslo Børs/Oslo Børs VPS Holding)
- Sveinung Dyrdaahl (VPS)
- Geir Heggem (Oslo Børs/Oslo Børs VPS Holding)
- Anne Ekeren Bjone (VPS)
- Atle Degré (Oslo Børs)

The board of directors of Oslo Børs VPS Holding ASA consists of members appointed by the owners of the Oslo Børs VPS ASA and other external and independent members. This is in accordance with the PLCA.

The general assembly of Oslo Clearing has appointed a control committee. The control committee consists of the same members as the control committee for VPS. The control committee reports annually to Finanstilsynet and to the general assembly.

The control committee consists of the following members:

- Håkon Persen Søderstrøm, Chairman (Danske Capital)
- Vegard Østlien (independent advisor, former internal auditor of Nordea Bank Norge ASA)
- Kristin Normann (Dr. juris and Partner lawfirm Selmer)
- Kjell Sverre Hatlen (Storebrand Kapitalforvaltning)

The control committee is responsible for assessing the clearing organisation's adherence to applicable laws, regulations and decisions made by other relevant bodies of the organisation. The instructions of the control committee are approved by Finanstilsynet.

Regulations for internal control requires that an internal auditor is appointed. The internal auditor shall act as an independent function and as such report directly to the Board of Directors. Oslo Clearing has also a risk committee in place (cf. Recommendation 8).

Oslo Clearing has a CEO and is organised with 4 departments, as displayed in figure 3, below.

Figure 3: Organisation of Oslo Clearing



The STA section 13-1 requires that the CEO of the clearing operations have relevant qualifications, work experience and good reputation. Christian Sjöberg is the CEO of Oslo Clearing and has long standing experience from the financial markets.

Oslo Clearing has separate departments for risk management, clearing operations and business development. Further, Oslo Clearing has a separate function for client relations and sales. All head of departments report to the CEO of Oslo Clearing.

Non-core activities have been outsourced to internal service providers within the holding structure, or to external third parties.

The website of Finanstilsynet or other publicly available sources provides free access to laws and regulations covering the clearing house. Further corporate information is available on the website of Oslo Clearing and Oslo Børs VPS Holding ASA, including ownership, management, board of directors, etc.

2. *Is there a clear separation in the reporting lines between risk management and other operations of the CCP? How is this separation achieved? Is there an independent risk management committee?*

Risk Management is responsible for credit and market risk management, in accordance with the directions given by the Risk Policy. Risk Management is independent of client relations and sales, clearing operations and the product development functions.

The Risk Manager reports directly to the CEO of Oslo Clearing, however with the obligation to report directly to the Board of Directors if the CEO acts in contradiction with the principles established by the Risk Policy.

The risk committee, (cf. description under Recommendation 8 Operational Procedures), is responsible to follow up the internal control, and reports directly to the CEO and the Control Committee in accordance with internal instructions.

3. *What steps are taken to ensure that management and the Board have the adequate skills and incentives to achieve the CCP's objectives of delivering sound and effective services and to meet related public requirements? What are the mechanisms the Board has in place to ensure the objectives include delivering sound risk management and meeting related public interest requirements? How is management and the Board made accountable for their performance? How is the composition of the Board determined? Are there mechanisms to ensure that the Board contains suitable expertise and takes account of all relevant interests? Are reporting lines between management and the Board clear and direct? Is the Board responsible for selecting, evaluating, and if necessary removing senior management? Does the Board include independent board members? Are there participants committees and are their decisions and suggestions adequately reported to the Board?*

The members of the board of directors are selected based on their experience of financial markets and adequate skills, in order to provide the administration of Oslo Clearing with the directions to achieve set objectives. The STA also sets requirements on the aptitude of Board Members and the administration. Oslo Clearing complies with the STA requirements. The staff has broad experience from clearing operations, risk management and has extensive market experience.

The independent control committee assists the Board of Directors in ensuring sound risk management procedures and practices.

The board members are elected by the general assembly and have relevant competence with respect to related to securities infrastructure, hereunder Oslo Børs and VPS, as well as from management and market operations within other areas hereunder IT and bank and finance. Oslo Clearing is fully owned by Oslo Børs VPS Holding ASA and presently the Board of Directors is composed only of senior staff from the Holding, Oslo Børs and VPS. Members of the board are required to act in the interest best of Oslo Clearing, in accordance with the PLCA.

The board is responsible for appointing the CEO, and thereby responsible for the evaluation of the management of the activities carried out by the CEO. The board is, if necessary, responsible for the removal of the CEO.

The reporting lines between the board and the CEO are clear and direct.

4. *Are the CCP's objectives, those responsible for meeting them and the extent to which they have been met disclosed to owners, relevant market participants, and public authorities? What are they?*

Oslo Clearing operates in accordance with a business plan, with a clearly defined strategy. The business plan is prepared by the management of Oslo Clearing and approved by the board of directors. The business plan is reviewed periodically.

The company's objectives are therefore available to the owners, through board representation and to the public authorities upon request. The business plan, however, is not publicly available. Those responsible for meeting the company's objectives and the extent to which the objectives are met are disclosed to the board of directors on regular basis.

General information about the company and its objectives and goals are available on the website of Oslo Clearing.

As a public limited company Oslo Clearing fully adheres to the reporting requirements stated for such organisations.

Assessment of observance

Observed

Recommendation 14: Transparency

A CCP should provide market participants with sufficient information for them to identify and evaluate accurately the risks and costs associated with using its services

Key questions

1. *Does the CCP disclose to market participants its rules and regulations, relevant laws, governance procedures, risks, steps taken to mitigate risks, the rights and obligations of participants and the costs of using the CCP services? Does the CCP make clear when and in what circumstances it assumes counterparty exposure and any restriction or limitations on its fulfilment of its obligations? Does the CCP disclose appropriate quantitative information on its clearing, netting and settlement activities? Does the CCP provide market participants with sufficient information on default procedures and stress testing?*

The Standard Terms of Oslo Clearing provides the rights and obligations for the participants, risk mitigation steps and default procedures, and is published on the website of Oslo Clearing. Further, the price list for using the services of Oslo Clearing is also published on the website.

The Standard Terms clearly state when the clearing house assumes counterparty exposure as well as restrictions and limitations on its fulfilment of obligations.

The Standard Terms provides market participants with a good overview of their clearing and settlement activities.

Information regarding governance, relevant laws and stress testing methods is disclosed through this self assessment which is available on the website of Oslo Clearing.

Statistics for the standardised derivatives market is published by Oslo Børs on a monthly basis. Oslo Børs also provides reports statistic regarding OTC volumes and keeps market updated with derivative information through its news channels. Clearing statistics such as netting and settlement activities is not disclosed to external parties

2. *How is information made available? In what language or languages? In what form?*

Information is made available through the website of Oslo Clearing and through reports published to members. Most of the information, such as agreements, the Standard Terms and but also other publications, are available in both Norwegian and English.

3. *Has the CCP completed and disclosed the answers to the key questions set out in this report? Are there regular reviews to ensure that the information contained in the disclosures remains current, complete and accurate?*

This document represents the answers to the key questions set out in this report. The report is publicly available on the website of Oslo Clearing. The self assessment is reviewed regularly.

Assessment of observance

Observed

Recommendation 15: Regulation and oversight

A CCP should be subject to transparent and effective regulation and oversight. In both a domestic and an international context, central banks and securities regulators should cooperate with each other and with other relevant authorities.

Key questions

1. *How is the CCP regulated/overseen? Describe the laws that authorise and govern the CCP's operation, the applicable regulatory bodies and their respective authority for the CCP's operation. Do the securities regulator and central bank have sufficient legal capacity and resources (including experienced staff and funding) to carry out effective regulation and oversight?*

Oslo Clearing is regulated by the STA and is subject to supervision by Finanstilsynet. The STA regulates both institutions and customers in the securities market. The Financial Supervision Act regulates Finanstilsynet, including the supervision activities.

The role of Norges Bank in the supervision of clearing houses is restricted to issues relative to financial stability and is for the purpose of Oslo Clearing connected to the participation in and as an operator of the settlement system.

Finanstilsynet is an independent government agency that builds on laws and decisions emanating from the Parliament (Stortinget), the Government and the Ministry of Finance and on international standards for financial supervision and regulation. The financial sector is levied so as to finance their duties. The scale of its staff and operations is decided by the Ministry of Finance.

2. *Are the objectives, responsibilities and main policies of the securities regulator, central bank and, where relevant, banking supervisor clearly defined and publicly disclosed? Are the regulations, roles and policies written in plain language so that they may be fully understood by CCPs and their participants?*

Information about the activities of Finanstilsynet and Norges Bank are available on their websites. The regulations, roles and policies are written in plain language so that they may be fully understood by the clearing houses and their participants. The main acts and most of the central provisions are translated to English.

3. *What information is the CCP required to provide, including information on operations that have been outsourced? How frequently is this information provided? Are there specific information requirements for participants' defaults and CCPs' financial difficulties? Is the CCP required to report significant events, such as rule changes, outages, and changes in risk management procedures?*

Oslo Clearing is required to provide financial statements and report regulatory capital and exposure to Finanstilsynet on a quarterly basis. Oslo Clearing is required to report significant events, such as defaulting Clearing Members, financial difficulties for the CCP, or expansion of the clearing services to new markets to Finanstilsynet.

Oslo Clearing is obliged to have a control committee (cf. Recommendation 13) which reports to Finanstilsynet on a regular basis, and which is obliged to report any major events affecting the risk of the clearing house.

4. *Is there a framework for cooperation between relevant authorities for the CCP, including domestic and non-domestic authorities? If so, describe the principles underlying this (these) framework(s) and their main contents, including any information sharing arrangements and decision making procedures.*

There is a formal cooperation agreement between the central bank and Finanstilsynet regarding the supervision of payment- and settlement systems. Finanstilsynet has entered into coordination agreements with a number of foreign supervisory authorities in the financial sector.

Assessment of observance

Observed

Appendix 1 - Definitions

Banking Directive	Directive 2000/12 EC relating to the taking up and pursuit of the business of credit institutions.
Cash Collateral	Cash deposited in a Cash Collateral Account.
CCP	Central Counterparty Clearing House
CESR	Committee of European Securities Regulators
CET	Central European Time or Central European Summer Time when applicable.
Clearing	The entry by Oslo Clearing into a Trade as central counterparty responsible for settlement as provided for in the Clearing Rules.
Clearing Fund	The guarantee arrangement whereby a Clearing Fund is established for the equity clearing, which can be used by Oslo Clearing to cover losses incurred by Oslo Clearing upon an Event of Default.
Clearing Fund Contribution	Each Clearing Member's share of the Clearing Fund.
Clearing Member	An entity that has entered into a Clearing Membership Agreement with Oslo Clearing.
Clearing Membership Agreement	A membership agreement between Oslo Clearing and a participant for the Clearing of Derivatives Trades.
Code of Conduct	The European Code of Conduct for Clearing and Settlement signed by the Federation of European Securities Exchanges (FESE), the European Association of Central Counterparty Clearing Houses (EACH) and the European Central Securities Depositories Association (ECSDA) on the 7 November 2006.
Collateral	Cash, Financial Instruments, bank guarantees and other collateral that a Clearing Member has provided to Oslo Clearing.
Collateral Bank	A bank that has entered into an agreement with Oslo Clearing to operate Cash Collateral Accounts for participants.
CPSS	Committee on Payment and Settlement Systems - Bank for International Settlements (BIS) hosted committee set up as one of the permanent central bank committees reporting to the G10 Governors
Credit Institution	An entity licensed as a credit institution in an EEA state in accordance with legislation implementing the Banking Directive.
Custodian Account	An account established with a Custodian where Securities Collateral is registered.
Custodian	A financial institution that has entered into an agreement with Oslo Clearing to operate Custodian Accounts for Clearing Members.
Default	Default by a participant as defined in Sections 9 and 10 of the Standard Terms.
EEA	The European Economic Area.
Equity Market Instruments	Shares, equity certificates, depository receipts and

	exchange traded funds Traded on a Marketplace and approved for Clearing by Oslo Clearing.
ESCB	European System of Central Banks.
FCA	Financial Collateral Agreement.
Financial Instruments	The instruments defined in MiFID Annex 1 Section C.
Finanstilsynet	The Financial Supervisory Authority of Norway
GCM, or General Clearing Member	A Clearing Member that is specifically authorised to register Clearing Transactions on behalf of GCM Clients.
Home State	The state in which the Clearing Member has its registered office.
Investment firm	An entity licensed as an investment firm in an EEA state in accordance with legislation implementing MiFID.
IOSCO	International Organisation of Securities Commissions
ISIN	The international securities identification number identifying the relevant Financial Instrument.
Marketplace	Oslo Børs and other marketplaces for which Oslo Clearing provides Clearing of Trades in Derivatives.
Material Default	A Default by a Clearing Member as defined in Sections 9 and 10 of the Standard Terms.
MiFID	Directive 39/2004 EC on Markets in Financial Instruments.
NBO	Norges Bank settlement system for NOK.
Norges Bank	The Norwegian Central Bank.
NSDA	Norwegian Securities Dealers Association.
OVBP	Oslo Børs VPS Holding ASA.
Regulatory Capital	Tier 1 plus Tier 2 capital as defined in Article 4 of Directive 2006/49/EC, cf. Article 57 (a) and (b) of Directive 2006/48/EC.
Relevant Authority	An official authority responsible for supervising a Clearing Member in accordance with applicable laws and regulations.
STA	Act on Securities Trading 29.06.2007 No. 75 (Securities Trading Act).
Standard Terms	Standard Terms for Derivatives issued by Oslo Clearing with the appendices and ancillary agreements specified therein, as published from time to time on Oslo Clearing's website.
VPO, or VPO NOK	The Norwegian multilateral central securities settlement system where VPS organises securities delivery and Norges Bank organises cash payments.
VPO Rules	The rules for VPO issued by VPS.
VPS	Verdipapirsentralen ASA - the Norwegian Central Securities Depository.

Appendix 2

Top 20 Shareholders

Investor	Number of shares	% of top 20	% of total	Type	Country
VITAL FORSIKRING ASA	8,233,680	22.23%	19.15%	Comp.	NOR
KLP LK AKSJER	4,300,200	11.61%	10.00%	Comp.	NOR
PARETO AS	3,662,230	9.89%	8.52%	Comp.	NOR
NORSK HYDROS PENSJONSKASSE	3,198,241	8.63%	7.44%	Comp.	NOR
NBI HF ICELAND	2,812,930	7.59%	6.54%	Nom.	ISL
ORKLA ASA	2,485,700	6.71%	5.78%	Comp.	NOR
ARENDALS FOSSEKOMPANI ASA	1,996,000	5.39%	4.64%	Comp.	NOR
GOLDMAN SACHS INT. - EQUITY -	1,076,783	2.91%	2.50%	Nom.	GBR
DNB NOR LUXEMBOURG SA	1,031,737	2.79%	2.40%	Priv.	NOR
STATE STREET BANK AND TRUST CO.	1,002,335	2.71%	2.33%	Nom.	USA
STOREBRAND ASA	983,200	2.65%	2.29%	Comp.	NOR
JPMORGAN CHASE BANK	951,704	2.57%	2.21%	Nom.	GBR
BANK OF NEW YORK MELLON SA/NV	911,000	2.46%	2.12%	Comp.	USA
FOKUS BANK, FILIAL AV DANSKE BANK MEGLERKONTO INNLAND	750,000	2.02%	1.74%	Meg.	NOR
MUST INVEST AS	708,520	1.91%	1.65%	Comp.	NOR
SUNDT AS	657,500	1.77%	1.53%	Comp.	NOR
JPMORGAN CHASE BANK	622,000	1.68%	1.45%	Nom.	LUX
HAVFONN AS	608,000	1.64%	1.41%	Comp.	NOR
SPAREBANKEN VEST	550,505	1.49%	1.28%	Comp.	NOR
ELTEK HOLDING A/S	500,000	1.35%	1.16%	Comp.	NOR
Total number owned by top 20	37,042,265	100%	86.14%		
Total number of shares	43,004,000		100%		

Last updated 23.11.2009