

Information on inducements related to the investment services and products provided

General information

When providing investment services or ancillary investment services, the Bank may give and receive financial and non-financial benefits to/from the third parties. Any benefits received by the Bank from or given to the third parties will be considered as **inducements**.

Inducements can be financial and non-financial, for example:

- any payments and any other financial benefit;
- non-financial benefits (valuable gifts, exclusive invitations, significant advantages, etc.).

Payments, which are necessary for provision of the respective investment services or ancillary services shall not be treated inducements, for example:

- holding costs,
- fees for transaction settlements and conversion,
- statutory fees,
- fees for legal services,
- other payments.

Conditions under which inducements shall be treated as acceptable

Inducements received by the Bank from the third parties may be kept by the Bank if these:

- 1) have been intended to improve the quality of the respective service provided to the customer;
- 2) do not worsen the situation, how the Bank adheres to its duty to act honestly, fairly and professionally in the interest of the customer;
- 3) have been clearly and understandably disclosed to the customer before provision of the service.

Otherwise, the received financial inducements will be paid to the Customer by transfer to the current account linked to the securities account. On condition, that the Bank has the right to keep the respective inducement, as an exception, inducements may be paid out to separate customers.

The Bank may receive and keep also small or insignificant non-financial benefits that may improve the quality of services provided to the customer and which, assessed according to amount and nature, do not have a negative effect on the duty of the Bank to act in the interest of the Customer. The acceptable insignificant non-financial benefits may be, for example:

- 1) information or documentation regarding a financial instrument or investment service, which is general in its nature or personalised in order to reflect the circumstances of an individual customer;
- 2) a written material of a third party that has been ordered and paid for by the corporate issuer or possible issuer in order to promote a new issuance of this company, or if the third person has statutory obligations with the issuer, and the issuer is paying to it so that it would regularly develop this material on a condition that these relationships are clearly disclosed in the material, and the material is at the time is made available to all companies of investment brokers or credit institutions wishing to receive it, or to a broader public;
- 3) participation in conferences, seminars and other training events on benefits and characteristics of a certain financial instrument or investment service;
- 4) hospitality expressions with a reasonable de minimis value, for example, food and drinks during a work meeting or conference, seminar, or an expression of hospitality of other kind during the above-mentioned training event;
- 5) flowers, souvenirs, books or representation items, if the total value of non-financial benefits received from one person during one year does not exceed the amount of one minimum monthly salary;
- 6) services and various discounts offered by commercial companies or individual merchants, and which are publicly available.

Provision of information to the customer

Amount of the inducements will be disclosed to the customer by the Bank before providing the respective service, or will disclose it by calculation method, allowing the assessment of the payment or benefit amount.

If it is not possible to evaluate the amount of the receivable or paid payment or benefit before provision of the respective service, the customer will be informed about the actual amount of the payment or benefit after provision of the service. The customers will also be individually informed once a year on the sum total of received or made payments or benefits, if the Bank has continuously received inducements.

In case of questions, you can find out an accurate amount of inducements by contacting SEB bank by phone number (+371) 26668777, by writing a letter in online banking facility or visiting any of the branches of SEB bank.

Inducements in the course of providing services of portfolio management and independent advice

The Bank is not permitted to keep inducements within the framework of services of investment portfolio management and independent investment advice, except small or insignificant non-financial benefits.