

Finantsinspektsioon has fined AS SEB Pank

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Finantsinspektsioon fined SEB Pank 2500 euros for failing to meet the requirements in providing financial services. The bank made signing a contract for financial services contingent on ownership of shares in a mandatory pension fund, and by doing so committed a misdemeanour.

It is illegal to link the sale of shares in pension funds to the provision of financial services of any kind. Banks are not allowed to link the interest rate on a loan, for example, to whether the borrower has joined a pension fund. Neither may they use better loan interest rates to encourage pension fund members to transfer their pension fund investments to the same service provider.