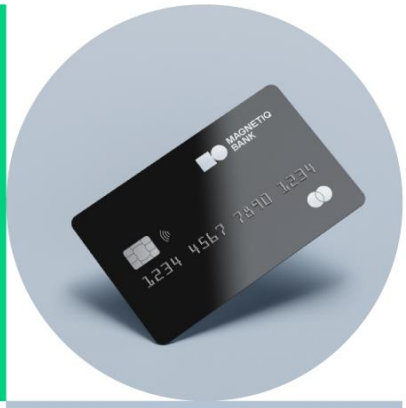
MAGNETIQ BANK

Information on inducements related to investment and ancillary services



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MAGNETIQ BANK

When providing investment services or ancillary investment services, AS "Magnetiq Bank" (hereinafter – Bank) may give and receive financial and non-financial benefits to/from the third parties and any such benefit received by the Bank from or given to the third parties, other than the Client, will be considered as inducement (hereinafter – Inducement).

Inducements can be:

- financial - any payments and any other financial benefit;
- non-financial - gifts, invitations, paid participation in conferences, events, significant advantages, etc.

Payments or benefits necessary for the Bank for provision of the respective investment services or ancillary services cannot be considered as Inducement, such as:

- financial instruments holding costs;
- fees for legal services;
- statutory fees;
- fees for transaction settlements and conversion and other payments.

If the Bank receives from the Bank's partners and / or contractors the fees, commission fees or any monetary reward that do not comply with the requirements specified above, the Bank transfers them to the respective Clients immediately after such payments were received.

The Bank provides that the received financial Inducements will be paid to the Client by transfer to the Client's financial instruments cash account.

In case the financial Inducement received form the Bank's partners and / or contractors is applicable to several Clients, the amount due to each Client is calculated proportionally to / sum of commissions paid / amount of transactions performed by the Client with the respective partner or contractor of the Bank.

The Client shall be entitled to receive information on the amount of the Inducements received from the partners and/or contractors of the Bank as well on the calculation method applied by the Bank by submitting the relevant request to the Bank.

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

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

The Bank may receive and keep also small or insignificant benefits that may improve the quality of services provided to the Client 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 Client, for example:

- information or documentation regarding a financial instrument or investment service, which is general in its nature;
- participation in conferences, seminars and other training events on benefits and characteristics of a certain financial instrument or investment service;
- hospitality expressions with a reasonable value, for example, food and drinks during a work meeting or conference or raining event;
- 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;
- services and various discounts offered by commercial companies or individual merchants, and which are publicly available.

The Bank shall document Inducements received from third parties. In assessing compliance of the Inducement with the small and insignificant benefit, the Bank shall document how the relevant Inducement enhances the quality of the service provided to relevant Clients and the steps taken to not adversely affect the Bank's duty to act honestly, fairly and professionally in accordance with the Client's interests

Provision of information

The Bank will disclose amount of the inducements to the Client before providing the respective service, or if it is not possible, the Client will be informed about the actual amount of the Inducement and calculation method used to calculate the amount of the Inducement to be transferred to the Client, immediately upon receipt of the Inducement

If it is not possible to evaluate the amount of the receivable or paid payment or benefit before provision of the respective service, the Client will be informed about the actual amount of the Inducement 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.