

---

09/06/2020

## [News](#)

Pension fund managers have to publish the current rate of fees in the key information documents for each pension fund to show all the fees and expenses paid on behalf of the shareholders in the previous calendar year. Luminor Pensions Estonia failed to disclose as required the expenses related to other funds in the calculation of the current fee rate for 2018, and for this misdemeanour it has been fined 170,000 euros by Finantsinspektsioon.

“When professional market participants mislead the public and ordinary investors in securities markets it is a serious issue. Especially so as the mandatory second pillar pension system affects very many people. Publishing fees incorrectly may mislead shareholders in their choices and give a competitive advantage to the fund manager that has published the inaccurate information”, said chair of the Finantsinspektsioon management board Kilvar Kessler.

Luminor Pensions Estonia invests a large part of the assets in its own funds in other investment funds, and the costs of this should be included when current fee rates are published. When it calculated the current fee rates in 2018, Luminor Pensions Estonia did not however do this. Inaccurate, misleading or late publication of information by a legal entity may be punished under § 482 (2) of the Investment Funds Act with a fine of up to 400,000 euros.

This press release is issued under § 457 (1) of the Investment Funds Act and § 54 (5) of the Financial Supervision Authority Act.

[Inform me if the content changes](#)