

Submission Date

12/07/2019

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Status: Answer Published

Additional Information

Level 1 Regulation

Prospectus Regulation 2017/1129

Topic

Public offer

Subject Matter

Estimate expenses charged by a financial intermediary in a retail cascade

Question

Does the prospectus summary have to contain information about estimated expenses charged by intermediaries offering securities in the retail cascade?

ESMA Answer

12-07-2019

Original language

[ESMA31-62-1258 Prospectuses Q&A nr 14.5]

Financial intermediaries in a retail cascade are offerors, but their offer is not the current offer which is the subject matter of the prospectus, and Commission Delegated Regulation (EU) 2019/980 expressly requires a notice specifying that the financial intermediaries acting in a retail cascade shall make available the information on the subsequent retail cascade offer when it will occur.

The issuer, offeror or person seeking admission to trading on a regulated market is not required to disclose expenses charged to the investor by financial intermediaries offering securities in a retail cascade in the section titled 'key information on the securities' in the summary. Expenses charged to investors by the financial intermediaries will be disclosed in the financial intermediaries' terms and conditions.