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Additional Information

Level 1 Regulation
Markets in Financial Instruments Directive II (MiFID II) Directive 2014/65/EU- Investor Protection and Intermediaries

Topic
Information to clients on topics other than costs and charges

Subject Matter
MiFID practices for firms selling financial instruments subject to the BRRD resolution regime

Question
Where a SEL issued after 28 December 2020 is sold to a retail client whose portfolio does not exceed EUR 500 000, must the seller take into account SELs issued before 28 December 2020 which are already part of the client's portfolio, when verifying whether the 10% threshold referred to in Article 44a(2)(a) is exceeded?

ESMA Answer

18-02-2020

Original language

[ESMA 35-43-439 Investor protection BRRD Q&A 4]

Yes. When ensuring that the retail client does not invest an aggregate amount exceeding 10% of his portfolio in SELs, the seller should add up the values of all SELs present in the client’s portfolio, regardless of their issuance date.