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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
Is the seller required to monitor compliance of his client's portfolio with the 10% threshold referred to in point (a) of Article 44a(2) on an ongoing basis, for example whenever portfolio composition is affected by disinvestments?

ESMA Answer

18-02-2020

Original language

[ESMA 35-43-439 Investor protection BRRD Q&A 6]

The 10% test is only required to be performed by the seller upon the purchase of a SEL issued as of 28 December 2020. Any other transaction or event involving the client’s portfolio (e.g. a divestment or a change in market values) does not trigger the obligation of point (a) of Article 44a(2).