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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 costs and charges

Subject Matter
Information on cost and charges

Question
What should an investment firm do when they are unable to obtain the relevant data from the manufacturer?

ESMA Answer

06-06-2017

Original language

[ESMA 35-43-349 MiFID II Q&As Investor protection Ch. 9, question 11]

When the investment firm is not able to obtain the relevant data from the manufacturer, the investment firm should first assess whether it can provide its clients with adequate information on the total costs and charges of the financial instrument and the investment service. ESMA would expect investment firms to base these calculations on the methodology prescribed in the PRIIPs RTS. It is essential that the investment firm has assured itself that it can make a reasonable and sufficiently accurate estimate of the total costs of the financial instrument. If this is the case, an investment firm may use this estimate to calculate the ex-ante and ex-post figures on costs and charges.