ESMA_QA_2785

Submission Date
23/02/2026

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Additional Information

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

Topic
Safeguarding of client assets

Subject Matter
Interests earned from client funds deposited at a credit institution

Question
Does MiFID II permit investment firms to earn interest on client funds deposited in a savings account at a credit institution?

ESMA Answer

21-09-2026

Original language

Answer provided by the European Commission

No. In order to protect an investor’s rights in respect of funds entrusted to a firm, Article 16 (9) of Directive 2014/65/EU of the European Parliament and of the Council (MiFID II) stipulates that an investment firm holding client funds shall make adequate arrangements to safeguard the rights of clients and prevent the investment firm’s use of client funds for its own account. The investment firms’ obligation under Article 16 (9) of MiFID II not to use clients’ funds for its own account includes the obligation for the investment firms not to retain any interest accrued from those funds (deposited in an account with a credit institution).