

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Circular: ESMA Q&As on Product Intervention Measures

Background

European Securities and Markets Authority (ESMA) has published its [Q&As](#) on the marketing, distribution or sale of CFDs and binary options to retail clients based on Article 40 of Regulation (EU) No 600/2014 (the Markets in Financial Instruments Regulation, MiFIR).

The overall [Q&As](#) on ESMA's temporary product intervention measures on the marketing, distribution or sale of CFDs and Binary options to retail clients provides answers to practical questions in relation to:

- Existing contracts;
- Payments;
- Margin close-out protection;
- Aggregate liability;
- Monetary benefits;
- Binary options;
- Guaranteed stop loss orders and
- Clients established outside the Union and non-Union nationals.

The objectives of these [Q&As](#) are:

- i.* to provide further guidance as to the expected manner of implementation of these decisions; and
- ii.* to promote common supervisory approaches and practices in the application of ESMA's temporary product intervention measures in relation to the marketing, distribution or sale of CFDs and Binary options to retail clients.

Target Audience

The content of this document is aimed at investment firms who are involved in the marketing, distribution or sale of contracts for differences (CFDs) and binary options to retail investors in the European Union.

Next Steps

ESMA will continue to monitor this Q&A on ESMA's temporary product intervention measures on the marketing, distribution or sale of CFDs and Binary options to retail clients in the coming months and will review and update them as and when required.

Contacts

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