

Book III - Service providers

Title I - Investment services providers

Chapter IV - Conduct of business rules

Section 7 - Inducements and fees

Sub-section 1 - General provisions relating to inducements

General regulation of the AMF

Article 314-14 into force since 03 January 2018

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Article 314-14

A fee, commission or non-monetary benefit shall be considered to be designed to enhance the quality of the relevant service to the client if all of the following conditions are met:

- 1 • it is justified by the provision of an additional or higher level service to the relevant client, proportional to the level of inducements received, such as:
 - a • the provision of non-independent investment advice on and access to a wide range of suitable financial instruments including an appropriate number of instruments from third party product manufacturers having no close links with the service provider;
 - b • the provision of non-independent investment advice combined with either:
 - an offer to the client, at least on an annual basis, to assess the continuing suitability of the financial instruments in which the client has invested; or

- another ongoing service that is likely to be of value to the client such as advice about the suggested optimal asset allocation of the client;

- c • the provision of access, at a competitive price, to a wide range of financial instruments that are likely to meet the needs of the client, including an appropriate number of instruments from third party manufacturers having no close links with the service provider, together with:
 - either the provision of added-value tools, such as objective information tools helping the relevant client to take investment decisions or enabling the relevant client to monitor, model and adjust the range of financial instruments in which it has invested; or

 - the provision of periodic reports of the performance and costs and charges associated with the financial instruments;

- 2 • it does not directly benefit the recipient service provider, its shareholders or employees without tangible benefit to the relevant client;

- 3 • it is justified by the provision of an ongoing benefit to the relevant client in relation to an ongoing inducement.

A fee, commission, or non-monetary benefit shall not be considered acceptable if the provision of relevant services to the client is biased or distorted as a result of the fee, commission or non-monetary benefit.

📌 **Version into force since 3 January 2018**